



ANNUAL REPORT 2022/23



the dtic

Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

the dtic

Annual Report
2022/23



DEPARTMENT GENERAL INFORMATION

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PART A

General Information

Abbreviation/Acronym	Definition
AfCFTA	African Continental Free Trade Area
AGSA	Auditor-General of South Africa
AIS	Automotive Investment Scheme
AO	Accounting Officer
APP	Annual Performance Plan
B-BBEE	Broad-Based Black Economic Empowerment
BEE	Black Economic Empowerment
BPS	Business Process Services
BRICS	Brazil, Russia, India, China and South Africa
CCR	Consumer and Corporate Regulation
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIP	Critical Infrastructure Programme
CIPC	Companies and Intellectual Property Commission
COTII	Council of Trade and Industry Institutions
CP&EP	Competition Policy and Economic Planning
CTFL	Clothing, Textiles, Footwear and Leather
DDM	District Development Model
DFFE	Department of Forestry, Fisheries and Environment
DG	Director-General
DIRCO	Department of International Relations and Cooperation
DMRE	Department of Mineral Resource and Energy
DPSA	Department of Public Service and Administration
DSI	Department of Science and Innovation
the dtic	Department of Trade, Industry and Competition
EBMM	Export Barriers Monitoring Mechanism
ECF	Employment Creation Fund
eCIT	Electronic Commodity Identification Training
EDP&OI	Export Development, Promotion and Outward Investments
EDS	Export Development and Support
EFTA	European Free Trade Association
ELIDZ	East London Industrial Development Zone
EMIA	Export, Marketing and Investment Assistance
EO	Ethics Officer
EPA	Economic Partnership Agreement
EPR	Extended Producer Responsibility
ER&C	Economic Research and Coordination
ERRP	Economic Reconstruction Recovery Plan
EU	European Union
EVP	Employer Value Proposition
EXBO	Executive Board
FDI	Foreign Direct Investment
FER	Foreign Economic Representative
FM	Facilities Management
FY	Financial Year
GDP	Gross Domestic Product
GEPP	Global Exporter Passport Programme
GPSSBC	General Public Service Sector Bargaining Council
HDI	Historically Disadvantaged Individuals
HOD	Head of Department

Abbreviation/Acronym	Definition
HOE	Head of Ethics
HSRM	Hydrogen Society Roadmap
IC&G	Industrial Competitiveness and Growth
IDC	Industrial Development Corporation
IF	Industrial Financing
IIAF&A	Inward Investment Attraction, Facilitation and Aftercare
IP	Industrial Parks
IMF	International Monetary Fund
ITAC	International Trade Administration Commission of South Africa
MBSA	Mercedes Benz South Africa
MCEP	Manufacturing Competitive Enhancement Programme
MTEF	Medium-Term Expenditure Framework
MTS	Multilateral Trading System
MTSF	Medium-Term Strategic Framework
NCAA	National Credit Amendment Act
NCCC	National Coronavirus Command Council
NDP	National Development Plan
NEDLAC	National Economic Development and Labour Council
NEF	National Empowerment Fund
NERSA	National Energy Regulator of South Africa
NIP	National Infrastructure Plan
NSG	National School of Government
NT	National Treasury
ODG	Office of the Director-General
OHS	Occupational Health and Safety
PES	Presidential Employment Stimulus
PFMA	Public Finance Management Act
PPE	Personal Protective Equipment
PPP	Public-Private Partnership
PSCBC	Public Service Coordinating Bargaining Council
R-CTLF	Retail Clothing, Textiles, Footwear and Leather
REIPPPP	Renewable Energy Independent Power Producer Procurement Programme
RIS	Re-imagined Industrial Strategy
SACU	Southern African Customs Union
SADC	The Southern African Development Community
SAIC	South African Investment Conference
SASA	South African Sugar Association
SEFA	Small Enterprise Finance Agency
SEZ	Special Economic Zone
SIDET	Spatial Industrial Development and Economic Transformation
SMS	Senior Management Service
SOP	Standard Operating Procedure
SSAS	Sector-Specific Assistance Scheme
SSE	Substantive Search and Examination
TASEZ	Tshwane Automotive Special Economic Zone
TPNC	Trade Policy, Negotiations and Cooperation
TR	Treasury Regulations
TSAM	Toyota South Africa Motors
US	United States

1. FOREWORD BY THE MINISTER



Mr Ebrahim Patel

**Minister of Trade, Industry and
Competition**

the dtic (with four-year review)

Despite significant headwinds and shocks to the economy in the year under review, South Africa is making strides in its recovery from the impact of COVID-19: both GDP and jobs in the formal sector have recovered from the heavy blow to economic output that the pandemic brought.

The Annual Report of the Department of Trade, Industry and Competition (**the dtic**) for the 2022/23 financial year reflects **the dtic's** efforts to refocus our work on collaborative, shared objectives. Building on work undertaken in the prior year to put in place shared performance indicators across the Department and our 18 entities, the 2022/23 financial year saw **the dtic-group** focus our work around three core outcomes:

- **Industrialisation** by drawing the link between interventions and patterns of production, investment, export and job creation, developing

a greener growth path, and focusing on African regional integration;

- **Transformation** by connecting interventions to empowering black South Africans, women- and workers, addressing spatial inequities and taking steps to respond to high levels of economic concentration;
- **Capable state** by reporting on improved performance and deeper partnerships, shifting from a focus on process to outcomes and impact, building public sector capabilities and partnering with the private sector and labour.

This annual report reflects the outcomes of this more unified approach, and provides a solid foundation from which to build in the year ahead.

the dtic-group's shared outcomes reflect both our continued efforts to improve service delivery, and our response to an increasingly complex economic environment. The financial year began in the immediate aftermath of the outbreak of war in Ukraine, which would disrupt critical supply chains and further polarise the global geopolitical order. This was closely followed by the floods in Durban, which devastated livelihoods, disrupted critical economic infrastructure like the main freight rail-line Gauteng to the Port of Durban, and threatened the viability of companies still recovering from the COVID-19 pandemic and July 2021 Unrest. And efforts to rebuild from this confluence of shocks were further challenged by the onset of serious loadshedding, along with a slowing of growth in key global partners.

These consecutive shocks have posed unprecedented challenges to all South Africans, and have highlighted the central importance of building partnerships that help companies navigate an ever more uncertain world. **the dtic's** efforts to respond nimbly and effectively to these challenges are demonstrated by our work this year. Within one week of the Durban floods, **the dtic** announced the launch of the R1.25 billion Flood Relief Fund, and worked closely with companies and partners in Durban to assist in their recovery efforts. Working in partnership with **the dtic**, Toyota managed

to restart production within five months of their Prospecton plant being completely flooded. And as the challenges of loadshedding re-emerged, **the dtic** announced a R1,3 billion Energy Resilience Fund and Energy One Stop Shop.

These collective efforts helped manufacturers to operate these difficult most challenging economic conditions, with manufacturing employment expanding 4.7% over the course of the financial year, private investment expanding by 2.2%, and with manufacturing exports having their best year ever.

Industrialisation

The central lessons of these disruptions – of the value of partnerships, responsiveness and strong local capabilities – has been embedded in the core work of **the dtic**, as we seek to help companies grow, invest and reach new markets.

Across the financial year, **the dtic** provided R5.2 billion in industrial funding support, unlocking R42.3 billion in new investment. This support helped develop projects in 49 of South Africa's 52 municipalities, creating job opportunities and local productive clusters across the country. During a time of rising inflation, consumers benefited from significant investment in our ability to produce key household goods – such as a R210 million investment in chicken production by Country Bird Holdings, a R110 million expansion in diaper production by LM Diapers, and the localisation of sourcing by large retailers.

Despite unprecedented economic disruptions during the five-year investment drive, **the dtic** continued to unlock new investment, helping to securing R130 billion in new investment pledges during the financial year. These efforts made a critical contribution to reaching and surpassing the R1.2 trillion Investment Drive target at the start of the 2023/24 Financial Year.

Implementation continued for **the dtic**'s seven Masterplans, covering: Automotive; retail clothing, textile, footwear and leather (R-CTFL); sugar;

poultry; steel and metal fabrication; furniture; and global business services. Masterplans continued to deliver tangible benefits that demonstrate the value of building partnerships that bundle together a comprehensive package of support that covers critical sectors.

In the automotive Masterplan, Isuzu's R1.2 billion investment in their Gqeberha plant saw the start of production of the next generation D-Max bakkie, while Ford's R15.8 billion investment in the Tshwane Automotive SEZ supported the development of a network of ten component firms that extend the benefits of the core investment. The introduction of strategic controls on the export of scrap metal helped combat the illegal scrap metal trade that threatens crucial economic infrastructure. Continued investment through the sugar and poultry Masterplans helped deepen local food value chains, while also securing competitive supply of essential food during a period of rising inflation.

A number of successes were also achieved last year in products such as pharmaceuticals, glassware, food products, clothing, car components and many others. A new cooking-oil refinery will open in Richards Bay later this year. Building on this, we are setting a target of R40 billion in additional local output and commitments this year. The foundation for achieving this is the public-private partnerships through which businesses are committing large sums of money to boost local procurement. The companies who have made these commitments include Coca-Cola, Air Liquide, Shoprite-Checkers, Pepsico, Consol Glass, Heineken, Implats, Mercedes Benz, VW, BMW, Ford, Nissan, Toyota and Isuzu.

South Africa reached a key landmark in our participation in the African Continental Free Trade Agreement (AfCFTA), with SACU submitting their finalised tariff offer covering 90% of its tariff book to the 11th AfCFTA Council of Ministers of Trade in Gaborone, Botswana in February 2023. The finalisation of the offers means that, pending the finalisation of local regulatory processes, South Africa is ready to start trading under the agreement.

This will unlock export opportunities in a rapidly growing region with a population on par with China and India, and connect us with the regional production networks that will let Africa grow together.

Transformation

Black industrialists continued to make a critical contribution to the growth and diversification of the South African economy, creating benefits for all. This Financial Year, Wilec began production on crucial components for the development of electrical transformers, helping with efforts to upgrade the national electrical grid; while support from **the dtic** helped WasteWent Waste Management to further green their plastic recycling plant, and contribute to the Just Transition. The Automotive Industry Transformation Fund (AITF) supported black industrialists to invest in high-tech component supply to leading car manufacturers; and **the dtic**'s film incentives helped black-led films like *Wild* to reach global audiences and create local opportunities.

The projects implemented by black industrialists are a clear indication of how investing in transformation means investing in solutions that make the economy more competitive and sustainable for all.

More than 100,000 new workers become owners in their employers, through Employee Share Ownership Programmes (ESOPs) resulting from public interest pledges in the department's competition work. Work in the competition space continued to target economic concentration, building opportunities for emerging firms to compete fairly, while also ensuring major deals include protections for workers and the public. They contributed to efforts at structural transformation of the economy.

Landmark public interest deals in this Financial Year will see Shoprite create 18,500 new jobs over the next five years, while spending an additional R500 million on South African made food. The Competition Commission's Fresh Produce Market enquiry helped target the drivers of inflation in essential food products, while public interest commitments from Mediclinic will see 1700 nurses receive training over

the next five years. These successes demonstrate how a unified objective for diverse policy tools – stretching across trade, industry and competition – can deliver for South Africans.

Capable state

Looking ahead, **the dtic** continues our process of rethinking and reinventing the way we do business. For the 2023/24 Financial Year, **the dtic** group has again built on the changes introduced in this financial year, by shifted from targeting processes and activities to targeting real outcomes in the economy. Among the forty-five outcomes being pursued by **the dtic** in the coming year, key targets include:

- Supporting or covering 1 million jobs with measures by **the dtic**-group
- Creating 100,000 new jobs and work opportunities
- Mobilising R200 billion in investment
- Supporting R700 billion in manufacturing exports to the world
- Supporting R300 billion in manufacturing exports to Africa
- Driving R40 billion in additional local value-addition
- Supporting Black Industrialists employing 20,000 workers with R36,8 billion in output
- Enabling 20,000 more workers to become shareholders in the firms they work for
- Providing R15 billion in support to enterprises outside the five largest metros; and
- Providing R8 billion in support to SMMEs, women and youth-empowered businesses.

A number of these targets are ambitious, and will require significant changes to the way **the dtic** works. To this end, we are continuing a process of institutional development that will aim to reduce red tape, improve our internal capacity, and build the internal monitoring and delivery structures that let us respond to the needs of companies. I am confident that the successes of this Financial Year are a signal of our ability to take on these challenges, and deliver for the country.

Our journey thus far

These targets and the results on display this year reflect the progress of a four-year journey since the start of the administration in 2019.

through a process of consultation and partnership building with business and labour. These agreements have laid the groundwork for a continued partnership for growth, which is already delivering concrete results. In the Automotive Masterplan, production reached



100,000

new workers become owners in their employers,
through Employee Share Ownership Programmes
(ESOPs)

Within nine months of the start of the new Administration, South Africa was exposed to the first of five major shocks to the economy: the pandemic (with associated lockdowns and global recession), the July 2021 civil unrest in parts of KZN and Gauteng, the war in Ukraine, the April 202 floods on the eastern seaboard and the extensive load-shedding due to the energy crisis.

In this time, **the dtic** has continued to improve on our core delivery, unlocking R128 billion in investment through financial and incentive support, and continuing to work with firms to invest, reach new markets, and transform their business.

But we have changed in significant ways, reinventing and reinvigorating our work through a number of landmark shifts. These include:

- **From IPAP to Masterplans:** In four years, we introduced our new Reimagined Industrial Policy, and developed seven Masterplans

556 000 units per year in 2022 after the decline during the pandemic, as global OEMs like Mercedes-Benz, Toyota, Ford and other have invested in new models and factories, across both traditional and next-generation hybrid-vehicles. Two major new car manufacturing plants (BAIC and Stellantis) may be able start production in the next Administration, based on groundwork laid in the past five years. Significant additional component manufacturing was announced – like the opening of a wire-harness factory employing 4 000 workers. Steel, a sector that has weathered a global oversupply crisis for many years, has seen factories such as Highveld Steel and CISCO Steel exit business rescue, with a new steel mill in Germiston under construction; while in poultry, a balanced approach including funding from the IDC and protection from unfair competition by ITAC, has resulted in the creation of 1 900 additional jobs in the poultry producers sector and 2000

additional jobs in the animal feed sector. The opening of the new Sappi-Saiccor facility will see an expected R5,5 billion in output and exports.

- **From 48 countries to 89 countries with preferential market access:** Just one year before the start of the Administration, the AU's Kigali Declaration announced our joint intention to build the African Continental Free Trade Area (AfCFTA). In the four years since, we have collaborated with our partners in the rest of Africa to build an agreement that is ready for South Africans to start trading. With the UK – South Africa Economic Partnership Agreement helping shore-up our existing market access, the AfCFTA once fully implemented, will let us build on our existing preferential access to 48 markets, and reach a further 41. This market access, combined with efforts to build continental frameworks on crucial issues like investment, competition and digital trade, will help South Africa grow as Africa does.
- **From no investment target to R1.5 trillion in commitments in the Investment Drive:** Just before the start of this Administration, President Ramaphosa set the ambitious target of attracting R1.2 trillion in new investment over a five-year period. This target was made even more challenging by the unprecedented global economic shocks of those years, with COVID foremost among them. Despite this, the investment facilitation work of InvestSA and the coordinated whole-of-group efforts to drive investment resulted in us reaching and surpassing the investment target – with a final total of R1.5 trillion in new investment announced at the fifth Investment Conference in April 2023. With 205 of the 371 announced projects already finalised or under construction, this investment is being directly translated into job and growth opportunities. These include current and planned pharmaceutical production (covid and meningitis vaccines as well as human insulin), vehicle production and the completion of digital infrastructure investment, including a Google undersea cable linking SA, west Africa and Europe.
- **From unilateralism to mutual commitment:** While **the dtic** has worked in partnership with companies and social partners, our work over the last four years has aimed to deepen this, to ensure the department's decisions are based on a collaborative effort with mutual commitment from both ourselves and our partners. This has meant that crucial processes like deciding tariff levels and reviewing mergers are not simply defined by unilateral decisions by **the dtic**, but are the result of a more nuanced process of consideration in which applicants make active commitments to contribute to South Africa's common prosperity. This system of mutual commitment has helped protect local firms from unfair trade, while protecting consumers from unfair prices. It has helped protect local firms from unfair competition, while protecting and empowering workers during often disruptive mergers. And it has helped ensure that the investment made by **the dtic** through incentives, financing and support has been met with real growth in projects that benefit all South Africans.
- **From crisis to growth:** As the COVID-19 crisis took hold, global growth in 2020 fell by the greatest amount since comparable records began in the 1960s. With the global economy contracting by 3.1%, and with South Africa's economy shrinking by 6%, the pandemic appeared to herald a period of prolonged recession. But despite numerous shocks in the years since COVID-19, South Africa's economy has rebounded strongly, with GDP bouncing back with growth of 21% between the lows of Q2 2020 and the start of the next Financial Year in Q2 2023. In 2022, exports in US dollar terms were 36% higher than in the pre-COVID period, while manufacturing exports grew by 14%. And while there is still a way to go in fully recovering from the crisis and those shocks that followed it, employment levels across the economy are now at their levels prior to COVID – demonstrating the resilience and enterprise of all South Africans.
- **From a highly-concentrated economy to boosting structural transformation:** significant steps were taken during the Administration to tackle high levels of product and market concentration, including greater transparency with publication of the Competition Commission's Economic Concentration Report,

to implementation of a major regulatory reform programme, the launch of a number of market inquiries with far-reaching outcomes (data prices were slashed, online eCommerce markets are being opened up) and major agreements on public interest conditions in mergers that will effect structural transformation in the economy. These include supplier development funds for small and medium businesses, corporate procurement policies to deepen South Africa's industrialisation, investment commitments and protection of employment. More than 140 000 workers are now shareholders in the companies they work for and major corporations such as PepsiCo, Coca-Cola, Shoprite and Heineken have agreed to worker directors on company boards. Black industrialists have expanded production and jobs, participating in exports and deepening their presence in key productive sectors of the economy.

- **From nineteen institutions to one group: the dtic** began life as two separate Departments at the start of the administration, with 18 entities between them, and has undertaken a complex merger at the same time as we have introduced efforts to strengthen state capacity and reform how measure our impact. This has included tackling the stubborn legacy of state capture, combating and rooting-out corruption at the National Lotteries Commission and helping the South African Bureau of Standards to exit a period under administration. Restoring strained institutions was accompanied by further empowering those that were doing well, and better coordinating our efforts through the shared impact targets detailed above. This institutional transformation has built a dtic-group that is working ever more closely together to deliver real value.

In addition to these efforts, a strong foundation is being laid for future growth, jobs and economic inclusion, with initiatives launched that will bear fruit in future years. In the final year of the Administration, we hope to take yet further steps along these varied pathways, and to deliver a transformed Department and economy that will keep working for South Africans in the years ahead.

The work of **the dtic**-group is a reflection of the contributions of a number of persons. I wish to express my appreciation to Deputy Ministers Nomalungelo Gina and Fikile Majola, who provide leadership and policy support within the department; Acting Directors-General Malebo Mabitje-Thompson and Shabeer Khan, and the many dedicated staff of **the dtic** who do the day-to-day work in the economy; the Parliamentary Portfolio and Select Committees of Trade and Industry, which provide oversight and critical feedback to our work; and our partners in business and the investor community as well as organised labour representing the country's workforce.

the dtic entities comprise regulatory (competition, consumer, companies and gambling), development finances (industrial, empowerment and export promotion), technical agencies and others; I wish to acknowledge their contribution and the role played by the boards, tribunal members, management and staff. The close working relationship with other departments has been essential to the successes of **the dtic**.

Global trade and investment flows require cross-border partnerships and we have worked collaboratively with ambassadors, investors and trade ministers from other parts of the world. I would like to convey my sincere gratitude to each of them.



Mr Ebrahim Patel

Minister of Trade, Industry and Competition
29 September 2023

2. DEPUTY MINISTERS' STATEMENTS



Ms Nomalungelo Gina
Deputy Minister of Trade, Industry and Competition

This 2022/23 annual report is a reflection that **the dtic** continues to drive towards achieving the imperatives of the Reimagined Industrial Strategy (RIS), as enunciated in 2019. Our focus in the aftermath of the COVID-19 lockdown has been predicated on the Economic Reconstruction and Recovery Plan (ERRP), to reset the economy to its initial footing. This has not been an easy task as we have had to contend with exogenous factors undermining these efforts.

The principal economic drag in our country remains energy security, which has impacted significantly on our efforts to return to growth and sustained job creation. While loadshedding remains the major black swan of our economy, we must commend the efforts of the Minister of Electricity in tackling the problem directly at a technical level, and the support from the two line departments. The second drag is the unending geopolitical conflict in Eastern Europe. Global trade and economic jitters and our domestic economic headwinds are linked to this continued instability.

As a result, our economy has not been performing well. In the fourth quarter of 2022, real GDP decreased by 1.3%. This was occasioned by decreases in agriculture (3.3%), representing -0.1% to GDP; mining (3.2%), translating to -0.1%; and finance (2.3%); with net exports falling 4.8%. It is easy to look at the figures

from StatSA as just figures, but this is not a technical exercise. To borrow Minister Patel's words from this year's Budget Vote speech, "The economy has a very human face. When the economy struggles, people suffer. When it grows and transforms, then more people can thrive."

Despite these shocks, we remain determined in contributing towards reindustrialisation and industrial finance to build more enterprises. Our sustained and long-range efforts through the ERRP and other policy levers to rebuild South Africa's economy are undeterred. The resiliency of the economy, and commitment of the private sector to rebuild is a boon to us as **the dtic**. We are excited that the department achieved at least 97% overall performance against the outputs and targets set out in our APP. This achievement is no mean feat, given the tough environment under which we operated.

For the year under review, **the dtic** did not incur unauthorised or fruitless and wasteful expenditure. I congratulate our hard-working team, from the Acting Director-General to entry-level staff members, in upholding our reputable tradition of prudent financial management, while not compromising on service delivery with underspending.

One of the great achievements has been the acceptability of our localisation policy in various industries. In deepening its implementation, we have built up a significant localisation chest comprising R4 billion in localisation and supplier development funds for industrial sectors such as green energy, equipment, food and medical devices; and R19 billion in commitments for procurement in sectors like auto components and mining supplies.

Both investment and localisation require industrial funding and other support. Last year, **the dtic** enabled R30 billion in incentives and industrial funding to be made available to firms based in South Africa. In their dispensing, we must now focus on demographics as part of the growth and transformation pillars of our approach.

I take this opportunity to thank Minister Patel, Deputy Minister Majola, and Acting Director-General Malebo Mabitje-Thompson, and the entire team of **the dtic**.

A handwritten signature in black ink, appearing to read 'Nomalungelo Gina', written over a horizontal line.

Ms Nomalungelo Gina

Deputy Minister of Trade, Industry and Competition
29 September 2023



Mr Fikile Majola

Deputy Minister of Trade, Industry and Competition

The Annual Report covers a period of successful performance by the department in relation to its core mandate of industrialization, localisation, and trade promotion. The focus of **the dtic** has been to play an anchoring role in the rebuilding and restructuring of the South African economy within an unfavourable economic climate.

The global economic outlook has been strained by a number of factors, including the impact of the war in Ukraine on food and energy supplies. The South African economy has not been spared from these global shocks. Coupled with our domestic challenges of energy security, a series of rolling blackouts, and logistical blockades, the GDP still grew by 2% in 2022, following a strong showing of 4.9% in 2021.

In the year 2022, some parts of KwaZulu/Natal and Eastern Cape experienced unprecedented flooding that resulted in enormous loss of lives and livelihoods. Businesses were flooded and the economy was seriously challenged by these events. The role of **the dtic** was highly instrumental in leading Government's intervention. The department played a critical role in stabilising the affected areas and restoring economic activity by working jointly with other government departments.

The Annual Report is proof of the unwavering commitment of the department towards industrialisation and economic growth and development as key priorities for our sustainable future. There are positive signs of recovery post the Covid-19 pandemic which disrupted supply chains and stopped production. In

this period, **the dtic** laid a solid foundation towards improving the economic outlook.

the dtic takes the 'place-based' industrial interventions seriously. The department has appointed its senior managers as District Development Champions supporting the work of Political Principals in driving the implementation of the District Development Model.

the dtic's focus on long-term economic growth is firmly rooted in the role of Special Economic Zones (SEZs) in promoting investment and creation of sustainable jobs. Thus far the SEZ program, as one of the instrumental components for driving inclusive economic growth, has attracted investments to the value of R27 billion. An example of the program's success can be seen in the production of the first next-generation Ford Ranger at the Silverton Plant located in the Tshwane Automotive Special Economic Zone (TASEZ). The work to designate more special economic zones is underway and we are confident that this segment of our policy intervention will yield positive results if supported and coordinated properly.

The Economic Reconstruction and Recovery Plan recognizes the role of masterplans as crucial to ensuring local production and industrial competitiveness. Working together with the relevant social partners, the department continues to drive the implementation of the adopted masterplans.

the dtic plays a key role towards the achievement of the objectives of African Union Agenda 63 of fostering the development of Africa. The African Continental Free Trade Area (AfCFTA) serves as an unwavering commitment towards regional and continental integration as envisaged by the AU's Agenda 63. The AfCFTA carries a large prospect for the South African economy in a long run even whilst some of its aspects are still being finalised. The South African Customs Union (SACU) in February 2023 finalised and submitted its 90% offer to the AfCFTA Secretariat for verification to ensure preferential trade with AfCFTA countries that have approved tariff offers.

A handwritten signature in black ink, consisting of stylized, overlapping loops and lines, positioned above a horizontal dashed line.

Mr Fikile Majola

Deputy Minister of Trade, Industry and Competition
29 September 2023

3. REPORT OF THE ACCOUNTING OFFICER



Malebo Mabitje-Thompson
Acting Accounting Officer

the dtic has been successful in its operation and continues to be firmly focused on delivering on its mandate of industrialisation, localisation, and trade promotion.

For the period under review, 2022/2023, the department achieved an overall performance of 97% against outputs and targets set out in the Annual Performance Plan. The achievement was against the 2022 most catastrophic floods to be recorded in the history of KwaZulu-Natal where businesses were flooded and devastatingly destroyed thus contributing towards a stagnant economic growth.

Working together with its entities, the department played a pivotal role in supporting government in its efforts to build the country's economy. Through Industrial Financing which aims to stimulate and facilitate the development of sustainable and competitive enterprises, the department supported 425 enterprises through disbursement of R5 billion in financial support.

The implementation of master plans has been successfully driven and technical support provided in the coordination of the development of master

plans such as automotive, poultry, sugar, furniture, steel and metal fabrication and the Retail Clothing, Textile, Leather and Footwear Master plans.

In its efforts to support foreign direct investment flows and the promotion of domestic investment, **the dtic** has made impeccable strides with an increased investment mobilisation and approval of projects by companies.

During the 2022/23 financial year, National Treasury listed The Takeover Regulation Panel as a Schedule 3A entity in terms of the Public Finance Management Act No. 1 of 1999 as amended, with effect from 28 March 2023, as per the Government Gazette published on the same date.

Overview of the financial results of the department

The 2022/23 budget was formulated within a tight fiscal environment with the country's businesses facing high levels of loadshedding, which required the exploration of alternative energy solutions. In response, about R240 million was reprioritised within the department's baseline towards the Manufacturing Competitiveness Enhancement Programme (MCEP) to support alternative energy solutions. The funding is made available in the form of concessionary loans.

Furthermore, the revival of economic activities has seen an uptake by applicants and claimants on the incentive programmes, which has led to a need for budget augmentation towards the Critical Infrastructure Programme (CIP), Automotive Incentive Scheme (AIS), and Global Business Processes (GBP).

Depicted below are the details of revenue collected, budget and expenditure, which were prepared in accordance with the Modified Cash Standard of Accounting.

Departmental receipts

During the 2022/23 financial year, departmental revenue collected amounted to R151 million, a

slight increase from R122 million in the 2021/22 financial year.

The revival of economic activities has seen a slight increase in the collection of liquor licence fees, from R6.9 million in the 2021/22 financial year to R7.5 million in the 2022/23 financial year.

Furthermore, there has been an improvement in revenue collection in respect of penalties imposed on the construction industry in terms of the Voluntary Rebuilding Programme (VRP) settlement agreement for the Tirisano Trust Fund. The increase in the collection of revenue was also attributable to the sale of capital assets to an amount of R600 thousand.

Departmental receipts	2022/23			2021/22		
	Estimate	Actual amount collected	(Over)/under collection	Estimate	Actual amount collected	(Over)/under collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax receipts	6 500	7 488	(988)	4 900	6 907	(2 007)
Liquor licences	6 500	7 488	(988)	4 900	6 907	(2 007)
Sale of goods and services other than capital assets	906	797	109	643	666	(23)
Fines, penalties and forfeits	94 000	75 943	18 057	93 810	48 944	44 866
Interest, dividends and rent on land	52 410	955	51 455	52 197	694	51 503
Sale of capital assets	-	601	(601)	-	-	-
Financial transactions in assets and liabilities	92 995	66 158	26 837	78 550	64 861	13 689
Total	246 811	151 942	94 869	230 100	122 072	108 028

Programme expenditure

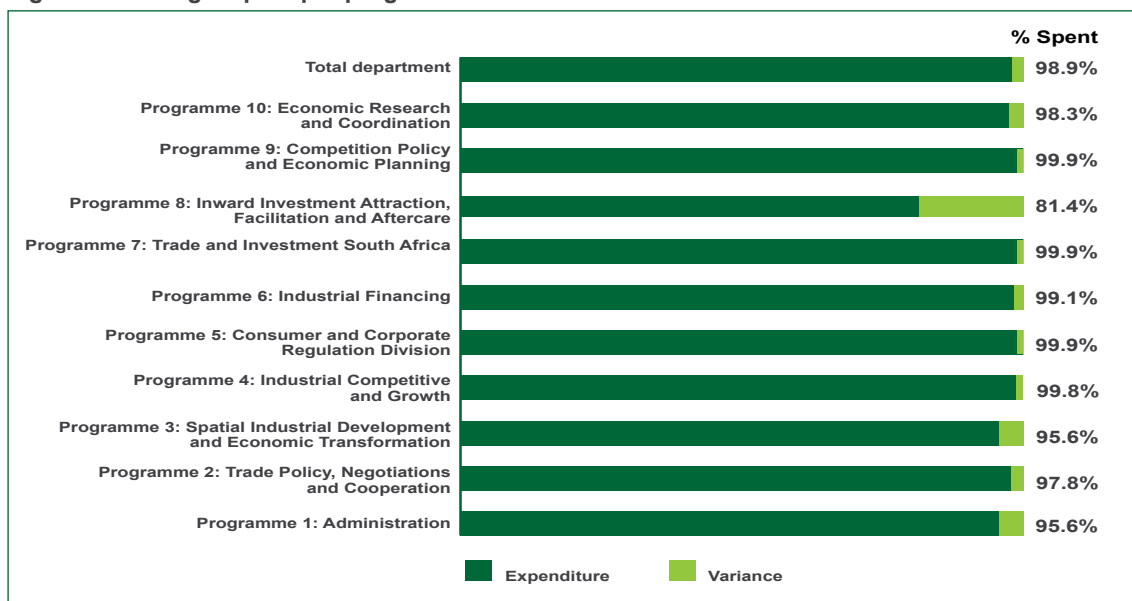
Total expenditure in the 2022/23 financial year was R10.8 billion or 98.9% of the budget. When compared with R11.6 billion or 98.3% for the same period in the 2021/22 financial year, expenditure for 2022/23 decreased by R815.7 million or 7%.

This was mainly due to the high baseline in the previous year, as the department received an additional once-off allocation of R1.3 billion to implement the relief programmes in response to the civil unrest in July 2021, and the negative impact of the COVID-19 pandemic on the economy.

The table below compares the department's expenditure on programme level over a two-year period, while figure 1 shows the percentage of budget spent per programme for the 2022/23 financial year.

Programme	2022/23			2021/22		
	Final appropriation	Actual expenditure	(Over)/under expenditure	Final appropriation	Actual expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	795 278	759 928	35 350	787 258	721 265	65 993
Trade policy	227 645	222 660	4 985	218 786	217 792	994
Spatial Industrial Development	153 623	146 928	6 695	159 008	122 403	36 605
Industrial Policy	1 734 126	1 730 512	3 614	1 638 387	1 638 076	311
Consumer and Corporate Regulation	332 001	331 511	490	324 629	323 388	1 241
Industrial Financing	5 411 439	5 363 087	48 352	6 494 979	6 465 945	29 034
Trade and Investment South Africa	398 232	397 829	403	415 155	399 015	16 140
Invest South Africa	69 180	56 293	12 887	65 653	53 713	11 940
Competition Policy	1 742 951	1 741 447	1 504	1 643 136	1 634 534	8 602
Economic Research	49 078	48 237	841	65 014	37 965	27 049
Total	10 913 553	10 798 433	115 120	11 812 005	11 614 096	197 909

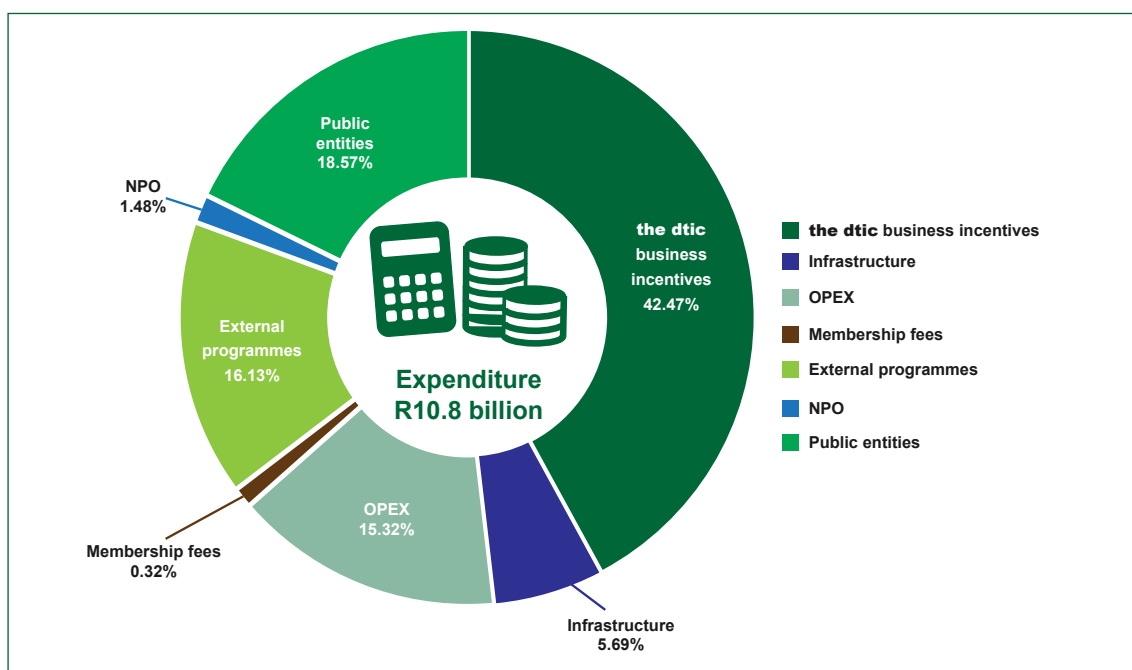
Figure 1: % budget spent per programme



As depicted below, the R10.8 billion spent comprised R5.2 billion or 48.17% disbursed to beneficiaries across various incentive programmes, followed by R2 billion or 18.57% transferred to public entities.

Disbursements to various external programmes at the Industrial Development Corporation (IDC) and Council for Scientific and Industrial Research (CSIR) was R1.7 billion or 16.13%, while non-profit and international organisations of which South Africa is a member accounted for R194.8 million or 1.8%. Spending on operational costs was R1.6 billion or 15.32%.

Spending categories as % of total expenditure



Virements/roll overs

Virement from the following programme	Virement to the following programme	Amount (decrease)/ increase	Reasons
		R'000	
Programme 1: Administration		(68 714)	The use of virtual platforms for some business meetings and engagements as well as certain communication technology initiatives that could not be finalised.
Programme 2: Trade Policy		(8 170)	The use of virtual platforms for some trade-related business meetings and engagements, and exchange rate fluctuations on payments made to certain international organisations, of which South Africa is a member.
Programme 3: Spatial Industrial Development		(13 212)	Vacant posts and the use of virtual platforms for some business meetings and engagements.
Programme 4: Industrial Policy		(15 401)	Vacant posts and exchange rate fluctuation on a payment made to the United Nations Industrial Development Organisation (UNIDO), of which South Africa is a member.
Programme 5: Consumer and Corporate Regulation		(11 802)	Vacant posts and the use of virtual platforms for some business meetings and engagements.
	Programme 6: Industrial Financing	94 448	The revival of economic activities, which resulted in an increased uptake by applicants and claimants of the Global Business Processes (GBP), Automotive Incentive Scheme (AIS) and Critical Infrastructure Programme (CIP), as well as alternative energy support to businesses affected by loadshedding.
	Programme 7: Trade and Investment South Africa	32 393	To cover expected vouchers from the foreign mission offices in respect of accommodation and associated costs for the foreign economic representatives.
Programme 8: Invest South Africa		(5 742)	Compliance documentation that were yet to be received on some of the provincial one-stop shops, which are required before payments are made.
Programme 9: Competition Policy		(2 350)	Vacant posts and use of virtual platforms for business meetings and engagements.
Programme 10: Economic Research		(1 450)	Vacant posts and use of virtual platforms for business meetings and engagements.

All virements requiring approval as per the Public Finance Management Act (PFMA) have been approved by the National Treasury. Internal adjustments to the budget have been approved by the accounting officer or delegated official.

Unauthorised expenditure

The department did not incur any unauthorised expenditure for the 2022/23 financial year.

Fruitless and wasteful expenditure

The department did not incur any fruitless and wasteful expenditure for the 2022/23 financial year.

Discontinued key activities/activities to be discontinued

During the period under review, no activities were discontinued.

New or proposed key activities

During the period under review, there were no new or proposed activities.

Supply chain management

The prescribed transversal system, Logistical Information System (Logis), is utilised for the provisioning of goods and services, record-keeping and reporting thereof. Apart from the system controls, a number of additional internal control measures have been implemented to detect and prevent irregular expenditure. The department also makes use of the Central Supplier Database (CSD) implemented by National Treasury.

However, during the period under review, the department was affected by the Constitutional Court judgment against the Minister of Finance, which invalidated the Preferential Procurement Regulations, 2017 (the 2017 Regulations). The judgment impacted on the procurement of goods and services above R30 000.00 as application of the regulations was suspended. The department obtained an exemption from National Treasury to continue procuring goods and services above R30 000.00.

Gifts and donations received in kind from non-related parties

A list of the nature of in-kind goods and services provided by the department or received from parties other than related parties is disclosed as a note and annexure to the Annual Financial Statements.

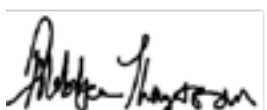
Exemptions and deviations received from the National Treasury

The department obtained an exemption from the provisions of the Preferential Procurement Policy Framework Act (PPPFA) and regulations made thereunder, until the new preferential procurement regulations take effect or the Constitutional Court confirms the suspension of the order of invalidity of the Preferential Procurement Regulations, 2017, for a period of 12 months, whichever comes first.

Events after the reporting date

No events that would impact on the financial position of the department took place after the reporting date of 31 March 2023.

Yours faithfully



Ms Malebo Mabitje-Thompson

Accounting Officer

Department of Trade, Industry and Competition

4. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed throughout the annual report are consistent.

The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

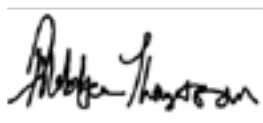
The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgments made in this information.

The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2023.

Yours faithfully



Ms Malebo Mabitje-Thompson

Accounting Officer

Department of Trade, Industry and Competition

5. STRATEGIC OVERVIEW

5.1. Vision

A dynamic industrial, globally competitive South African economy, characterised by meaningful economic transformation, inclusive growth and development, decent employment and equity, built on the full potential of all citizens.

5.2. Mission

the dtic's mission is to:

- Promote structural transformation, towards a dynamic industrial and globally competitive economy
- Provide a predictable, competitive, equitable and socially responsible environment, conducive to investment, trade and enterprise development
- Broaden participation in the economy to strengthen economic development
- Continually improve the skills and capabilities of **the dtic** to effectively deliver on its mandate and respond to the needs of South Africa's economic citizens
- Coordinate the contributions of government departments, state entities and civil society to effect economic development
- Improve alignment between economic policies, plans of the state, its agencies, government's political and economic objectives and mandate.

5.3. Values

- Advance South Africa's Constitution, notably the chapters on human rights, cooperative governance and public administration
- Promote decent work outcomes (more and better jobs), industrialisation, equitable and inclusive growth and social inclusion
- Operational excellence with regard to service delivery standards, international best practice, Batho Pele Principles, continuous improvement and ethical conduct
- Intellectual excellence with regard to continuous shared learning, innovation, relevant knowledge and skills improvement and knowledge management
- Quality relationships with regard to improved and continuous communication, honesty, respect, integrity, transparency, professionalism, ownership, leadership and teamwork.

6. LEGISLATIVE AND OTHER MANDATES

6.1. the dtic is responsible for the following legislation:

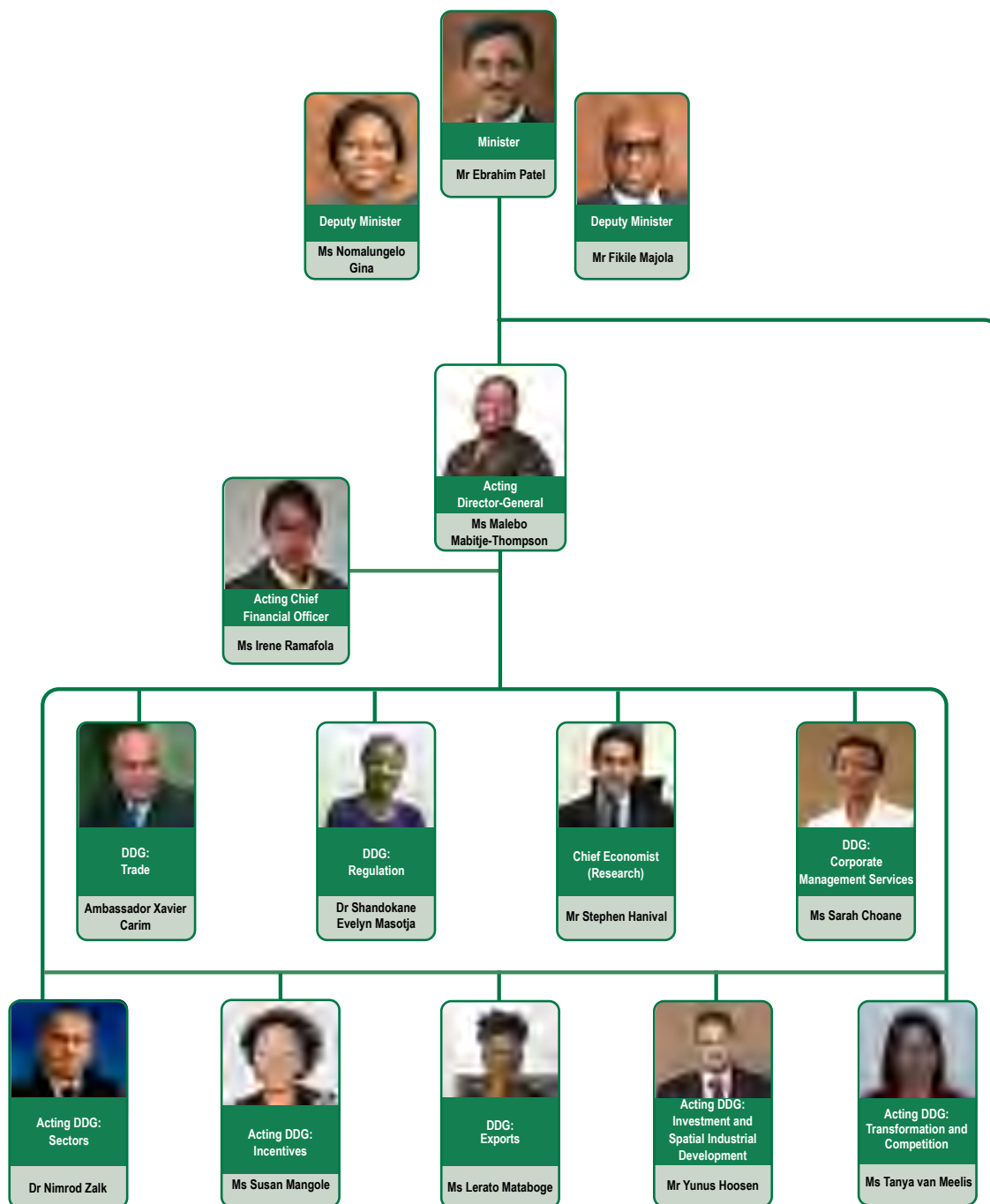
Act	Purpose
Abolition of the Fuel Research Institute and Coal Act, 1983 (Act No. 30 of 1983)	Repeal the Fuel Research Institute and Coal Act, 1963 (Act No. 35 of 1963) and provide for the vesting of the assets and liabilities, and the transfer of the employees of the Fuel Research Institute to the Council for Scientific and Industrial Research (CSIR).
Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice Act, 2006 (Act No. 19 of 2006)	Provide for an internationally recognised and effective accreditation and monitoring system for South Africa by establishing the South African National Accreditation System (SANAS) as a juristic person; to recognise SANAS as the only accreditation body in South Africa for the accreditation of conformity assessment and calibration, as well as the monitoring of good laboratory practice (GLP).
Alienation of Land Act, 1981 (Act No. 68 of 1981)	Regulate the alienation of land in certain circumstances and provide for matters connected therewith.
Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003)	Establish a legislative framework for the promotion of black economic empowerment (BEE), empower the Minister to issue codes of good practice and publish transformation charters, establish the B-BBEE Advisory Council and provide for matters connected therewith.
Companies Act, 2008 (Act No. 71 of 2008)	Provide a new legislative framework for the incorporation, registration and management of companies; establish a Companies and Intellectual Property Commission and National Consumer Tribunal; and provide for matters connected therewith.
Competition Act, 1998 (Act No. 89 of 1998)	Provide the Competition Commission with the powers to conduct investigations and market inquiries on competition abuses, regulate mergers and acquisitions, and promote the administrative efficiency of the Competition Commission and Competition Tribunal.
Consumer Protection Act, 2008 (Act No. 68 of 2008)	Promote a fair, accessible and sustainable marketplace for consumer products and services, and for that purpose, establish national norms and standards relating to consumer protection; provide for improved standards of consumer information; prohibit certain unfair marketing and business practices; promote responsible consumer behaviour; promote a consistent legislative and enforcement framework relating to consumer transactions and agreements; establish the National Consumer Commission; and repeal certain laws.
Convention on Agency in the International Sale of Goods Act, 1986 (Act No. 4 of 1986)	Provide for the application in South Africa of the Convention on Agency in the International Sale of Goods adopted by the United Nations International Institute for the Unification of Private Law.
Copyright Act, 1978 (Act No. 98 of 1978)	Regulate copyright in respect of, among other things, artistic works, dramatic works, computer programs, and musical and literary works.

Act	Purpose
Counterfeit Goods Act, 1997 (Act No. 37 of 1997)	Strengthen prohibitions on trade in counterfeit goods; confer powers on inspectors and the police to enter and search premises, with and without a warrant; and confer powers on customs and excise to seize and detain suspected counterfeit goods.
Designs Act, 1993 (Act No. 195 of 1993)	Consolidate the law relating to designs, provide for the registration of designs, and delineate the rights pertaining thereto.
Export Credit and Foreign Investments Insurance Act, 1957 (Act No. 78 of 1957)	Establish the Export Credit Insurance Corporation (ECIC) and promote trade with countries outside South Africa by providing for the insurance, on behalf of the South African government, of contracts in connection with export transactions, investments and loans or similar facilities connected with such transactions.
Expropriation (Establishment of Undertakings) Act, 1951 (Act No. 39 of 1951)	Provide for the expropriation of land and the taking of the right to use land temporarily for or in connection with the objects or undertakings of national importance.
Housing Development Schemes for Retired Persons Act, 1988 (Act No. 65 of 1988)	Regulate the alienation of certain interests in housing development schemes for retired persons, and provide for matters connected therewith.
Industrial Development Corporation Act (Act No. 22 of 1940)	Constitute a corporation, the object of which shall be to promote the establishment of new industries and industrial undertakings and the development of existing industries and industrial undertakings, and to provide for other incidental matters.
Intellectual Property Laws Rationalisation Act, 1996 (Act No. 107 of 1996)	Provide for the integration of intellectual property (IP) rights subsisting in the former homelands (Transkei, Bophuthatswana, Venda and Ciskei) into the national system; extend South African IP rights legislation throughout South Africa; and repeal certain IP laws.
International Trade Administration Act (Act No. 71 of 2002)	Foster economic growth and development in order to raise incomes and promote investment and employment in the Republic and within the Common Customs Area by establishing an efficient and effective system for the administration of international trade subject to this Act.
Legal Metrology Act, 2014 (Act No. 9 of 2014)	Provide for the administration and maintenance of legal metrology technical regulations in order to promote fair trade and protect public health and safety and the environment, and provide for matters connected therewith.
Liquor Act, 2003 (Act No. 59 of 2003)	Establish national norms and standards to maintain economic unity within the liquor industry, provide for essential national standards and minimum standards required for the rendering of services, provide for measures to promote cooperative governance in the area of liquor regulation, and provide for matters connected therewith.
Lotteries Act, 1997 (Act No. 57 of 1997)	Establish the National Lotteries Commission (NLC), and regulate and prohibit lotteries and sports pools.
Manufacturing Development Act, 1993 (Act No. 187 of 1993)	Establish the Manufacturing Development Board, provide for the establishment of programmes for manufacturing development, and provide for matters incidental thereto.
Measurement Units and Measurement Standards Act, 2006 (Act No. 18 of 2006)	Provide for the use of the measurement units of the International System of Units, provide for the designation, keeping and maintenance of national measurement units and standards, provide for the establishment and functions of the National Metrology Institute of South Africa (NMISA), and provide for the repeal of certain laws.

Act	Purpose
Merchandise Marks Act, 1941 (Act No. 17 of 1941)	Make provision concerning the marking of merchandise and of coverings in or with which merchandise is sold, and the use of certain words and emblems in connection with business.
National Building Regulations and Building Standards Act, 1977 (Act No. 103 of 1977)	Provide for the promotion of uniformity in the law relating to the erection of buildings in the areas of jurisdiction of local authorities and for the prescribing of building standards.
National Credit Act, 2005 (Act No. 34 of 2005)	Establish the National Credit Regulator (NCR) and Consumer Tribunal, and promote a fair and non-discriminatory marketplace for access to consumer credit, and, for that purpose, provide for the general regulation of consumer credit and improved standards of consumer information.
National Empowerment Fund Act, 1998 (Act No. 105 of 1998)	Establish a trust for the promotion and facilitation of the ownership of income- generating assets by historically disadvantaged persons; set out the objects of the trust; provide for the powers, appointment and mode of operation of the trustees; provide for the establishment of other investment entities for the attainment of the objects; provide for the powers of the Minister to give implementation directives; provide for the sale of shares in state-owned commercial enterprises at a discount to the trust or by the trust to the beneficiaries; provide for the control of the financial affairs of the trust; provide for the establishment of an investment-holding company by the trust; provide for the promulgation of regulations; provide for the dissolution of the trust; and provide for other incidental matters.
National Gambling Act, 2004 (Act No. 7 of 2004)	Provide for the coordination of concurrent national and provincial legislative competence over matters relating to casinos, racing, gambling and wagering; provide for the continued regulation of those matters, and, for that purpose, establish certain uniform norms and standards applicable to national and provincial regulation and the licensing of certain gambling activities; provide for the creation of additional uniform norms and standards applicable throughout South Africa; retain the National Gambling Board; establish the National Gambling Policy Council; repeal the National Gambling Act, 1996 (Act No. 33 of 1996); and provide for matters incidental thereto.
National Regulator for Compulsory Specifications Act, 2008 (Act No. 5 of 2008)	Provide for the administration and maintenance of compulsory specifications in the interest of public safety, health and environmental protection; and provide for the establishment of the National Regulator for Compulsory Specifications (NRCS).
National Supplies Procurement Act, 1970 (Act No. 89 of 1970)	Empower the responsible Minister to manufacture, produce, acquire, hire or import goods, acquire, hire or supply services, exercise control over goods and services, and the manufacture, production, processing and treating of goods, and provide for the establishment and administration of a National Supplies Procurement Fund.
Non-Proliferation of Weapons of Mass Destruction Act, 1993 (Act No. 87 of 1993)	Provide for control over weapons of mass destruction and establish a council to control and manage matters relating to the proliferation of such weapons in South Africa, determine its objectives and functions, and prescribe the manner in which it is to be managed and controlled.
Patents Act, 1978 (Act No. 57 of 1978)	Provide for the registration and granting of letters, patents for inventions, and for the rights of a patentee.
Performers' Protection Act, 1967 (Act No. 11 of 1967)	Provide for the protection of the rights of performers of literary and artistic works.

Act	Purpose
Property Time-Sharing Control Act, 1983 (Act No. 75 of 1983)	Regulate the alienation of time-sharing interests pursuant to property time-sharing schemes.
Protection of Businesses Act, 1978 (Act No. 99 of 1978)	Restrict the enforcement in South Africa of certain foreign judgments, orders, directions, arbitration awards and letters of request; and prohibit the furnishing of information relating to businesses in compliance with foreign orders, directions or letters of request.
Protection of Investment Act, 2015 (Act No. 22 of 2015) [assented to by the President on 15 December 2015, but has not yet commenced]	Provide for the protection of investors and their investments, achieve a balance of rights and obligations that apply to all investors, and provide for matters connected therewith.
Rationalisation of Corporate Laws Act, 1996 (Act No. 45 of 1996)	Provide that certain corporate laws shall apply throughout South Africa, repeal certain corporate laws, and provide for the retrospective incorporation of certain putative close corporations.
Registration of Copyright in Cinematograph Films Act, 1977 (Act No. 62 of 1977)	Provide for the registration of copyright in cinematograph films and for matters connected therewith.
Share Blocks Control Act, 1980 (Act No. 59 of 1980)	Control the operation of share block schemes – any scheme in terms of which a share, in any manner whatsoever, confers a right to or an interest in the use of immovable property.
Space Affairs Act, 1993 (Act No. 84 of 1993)	Provide for the establishment of a council to manage and control certain space affairs in South Africa, determine its objectives and functions, and prescribe the manner in which it is to be managed and controlled.
Special Economic Zones Act, 2014 (Act No. 16 of 2014)	Provide for the designation, development and management of special economic zones, establish an advisory board and a fund, regulate the issuing, suspension, withdrawal and transfer of permits,; and provide for matters connected therewith.
Standards Act, 2008 (Act No. 8 of 2008)	Provide for the development, promotion and maintenance of standardisation and quality in connection with commodities and the rendering of related conformity assessment services, and, for that purpose, provide for the continued existence of the South African Bureau of Standards (SABS) as the peak national institution; provide for the repeal of the Standards Act, 1993 (Act No. 29 of 1993), and provide for transitional arrangements.
Sugar Act, 1978 (Act No. 9 of 1978)	Consolidate and amend the laws relating to the sugar industry, and provide for matters incidental thereto.
Temporary Removal of Restrictions on Economic Activities Act, 1986 (Act No. 87 of 1986)	Empower the President to suspend temporarily laws or conditions, limitations or obligations thereunder if their application unduly impedes economic development or competition.
Trade Marks Act, 1993 (Act No. 194 of 1993)	Consolidate the law relating to trade marks; and provide for the registration of trade marks, the certification of trade marks and collective trade marks, and for the protection of rights relating thereto.
Unauthorised Use of Emblems Act, 1961 (Act No. 37 of 1961)	Provide for the continued operation of certain laws relating to the use of certain emblems and representations, and extend the scope of such laws.



7. ORGANISATIONAL STRUCTURE






Council of Trade and Industry Institutions (COTI)

8. ENTITIES REPORTING TO THE MINISTER

The table below indicates the entities that report to the Minister.

Name of entity	Legislative mandate	Financial relationship	Nature of operations
Companies and Intellectual Property Commission (CIPC) 	Companies Act, 2008 (Act No. 71 of 2008), as amended	Self-funded	<p>The CIPC was established by the Companies Act, 2008 (Act No. 71 of 2008), as a juristic person to function as an organ of state within the public administration, but as an institution outside the public service. The main functions of the commission are as follows:</p> <ul style="list-style-type: none"> • Registration of companies, cooperatives and intellectual property rights (trade marks, patents, designs and copyright) and the maintenance thereof • Disclosure of information on its business registers • Promotion of education and awareness of Company and Intellectual Property Law • Promotion of compliance with relevant legislation • Efficient and effective enforcement of relevant legislation • Monitoring compliance with and contraventions of financial reporting standards, and making recommendations thereto to the Financial Reporting Standards Council (FRSC) • Licensing of business rescue practitioners • Report, research and advise the Minister on matters of national policy relating to Company and Intellectual Property Law.
Export Credit Insurance Corporation (ECIC) 	Export Credit and Foreign Investments Insurance Act, 1957 (Act No. 78 of 1957)	Transfer payment	<p>The ECIC is established by the Export Credit and Foreign Investment Re-Insurance Amendment Act, 1957 (Act No. 78 of 1957), as amended. It promotes trade with countries outside the Republic by providing for the insurance, on behalf of the Government of the Republic, of contracts in connection with export transactions, investments and loans or similar facilities connected with such transactions, and provides for matters connected therewith.</p>

Name of entity	Legislative mandate	Financial relationship	Nature of operations
National Consumer Commission (NCC) 	Consumer Protection Act, 2008 (Act No.68 of 2008)	Transfer payment	The NCC is charged with the responsibility to enforce and carry out the functions assigned to it in terms of the Act, which aims to promote a fair, accessible and sustainable marketplace for consumer products and services, and for that purpose, establish national norms and standards relating to consumer protection; provide for improved standards of consumer information; prohibit certain unfair marketing and business practices; promote responsible consumer behaviour; and promote a consistent legislation and enforcement framework relating to consumer transactions.
National Consumer Tribunal (NCT) 	National Credit Act, 2005 (Act No. 34 of 2005), as amended	Transfer payment	The NCT adjudicates any application that may be made to it, and makes any order provided for in respect of such an application, or allegations of prohibited conduct by determining whether prohibited conduct has occurred and, if so, by imposing a remedy. It grants orders for costs and can exercise any other power conferred on it by law. It also reviews decisions made by the National Credit Regulator, the National Consumer Commission and single-member panels of the tribunal. Decisions made by a three-member panel of the tribunal may, in turn, be taken on appeal or review to the High Court.
Companies Tribunal 	Companies Act, 2008 (Act No. 71 of 2008), as amended	Transfer payment	The Companies Tribunal adjudicates in relation to any application that may be made to it in terms of this Act, and makes any order provided for in this Act in respect of such an application. It also assists in the resolution of disputes as contemplated in Part C of Chapter 7 of the Act, and performs any other function assigned to it by or in terms of the Act, or in any law mentioned in Schedule 4.

Name of entity	Legislative mandate	Financial relationship	Nature of operations
National Credit Regulator (NCR)  National Credit Regulator	National Credit Act, 2005 (Act No. 34 of 2005), as amended	Transfer payment	The NCR promotes a fair and non-discriminatory marketplace for access of consumer credit; provides for the general regulation of consumer credit and improved standards of consumer information; promotes black economic empowerment and ownership within the consumer credit industry; promotes responsible credit granting and use; provides for debt reorganisation in cases of over-indebtedness; regulates credit information; and provides for the registration of credit providers, credit bureaux and debt-counselling services.
National Empowerment Fund (NEF)  National Empowerment Fund Growing Black Economic Participation	National Empowerment Fund Act, 1995 (Act No. 105 of 1995)	Self-funded	The NEF's focus is to promote and facilitate black economic equality and transformation. The NEF provides finance and financial solutions to black business across a range of sectors, and structures accessible retail savings products for black people based on state-owned equity investments. Its mandate and mission is to be government's funding agency in facilitating the implementation of B-BBEE in terms of the BEE Codes of Good Practice.
National Gambling Board (NGB)  National Gambling Board South Africa	National Gambling Act, 2004 (Act No. 7 of 2004)	Transfer payment	The NGB was established to monitor and investigate, when necessary, the issuing of national licences by provincial licensing authorities. It establishes and maintains national registers regarding various gambling activities.
National Lotteries Commission (NLC)  National Lotteries Commission	National Lotteries Act, 1997 (Act No. 57 of 1997)	Self-funded	The NLC monitors and enforces the implementation of the national lottery. It manages the National Lottery Distribution Trust Fund, which distributes proceeds from its share of lottery sales to worthy causes.

Name of entity	Legislative mandate	Financial relationship	Nature of operations
National Metrology Institute of South Africa (NMISA) 	Measurement Units and Measurement Standards Act, 2006 (Act No. 18 of 2006)	Transfer payment	The NMISA is responsible for realising, maintaining and disseminating the International System of Unit (SI). It maintains and develops primary scientific standards of physical quantities for South Africa and compares those standards with other national standards to ensure global measurement equivalence.
National Regulator for Compulsory Specifications (NRCS) 	National Regulator for Compulsory Specifications Act, 2008 (Act No. 5 of 2008)	Transfer payment	The NRCS is responsible for the administration and maintenance of compulsory specifications and the implementation of regulatory and compliance systems for compulsory specifications.
South African Bureau of Standards (SABS) 	Standards Act, 2008 (Act No. 8 of 2008)	Transfer payment	The SABS aims to develop, promote and maintain South African national standards, promote quality in connection with commodities, products and services, and render conformity assessment services and matters connected therewith.
South African National Accreditation System (SANAS) 	Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice Act, 2006 (Act No. 19 of 2006)	Transfer payment	The aim of SANAS is to accredit or monitor for Good Laboratory Practice compliance purposes organisations that fall within its scope of activity; promote accreditation as a means of facilitating international trade and enhancing South Africa's economic performance and transformation; promote competence and equivalence of accredited bodies; and promote the competence and equivalence of GLP-compliant facilities.
Industrial Development Corporation (IDC)  <i>Your partner in development finance</i>	Industrial Development Corporation Act, 1940 (Act No. 22 of 1940)	Self-funded	The IDC's mandate includes proactively maximising its development impact through effective and sustainable industrial development, not only in South Africa, but across the continent. It is further mandated to contribute to an inclusive economy by, among others, funding black-owned companies, black industrialists, women and youth-empowered enterprises.

Name of entity	Legislative mandate	Financial relationship	Nature of operations
Competition Tribunal 	Competition Act, 1998 (Act No. 89 of 1998)	Transfer payment	The Competition Tribunal is an independent adjudicative body. It is required to grant exemptions, authorise or prohibit large mergers or prohibit a merger, adjudicate in relation to any conduct prohibited in terms of chapter 2 or 3 of the Act, and grant an order for costs in terms of section 57 of the Act on matters presented to it by the Competition Commission.
International Trade Administration Commission of South Africa (ITAC) 	International Trade Administration Act, 2002 (Act No. 71 of 2002)	Transfer payment	The aim of the ITAC, as stated in the Act, is to foster economic growth and development in order to raise incomes and promote investment and employment in South Africa and within the Common Customs Union Area by establishing an efficient and effective system for the administration of international trade subject to this Act and the Southern African Customs Union agreement. Its core functions are customs tariff investigations, trade remedies, and import and export control.
Competition Commission 	Competition Commission Act, 1998 (Act No. 89 of 1998)	Transfer payment	The Competition Commission was established in terms of the Competition Act, 1998, to regulate competition between firms in the market.





PART B

Performance Information

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor-General of South Africa (AGSA) currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings reported in the auditor's report under the heading 'Predetermined Objectives' in the section 'Other Legal and Regulatory Requirements'.

Refer to page 220 of the Report of the Auditor-General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

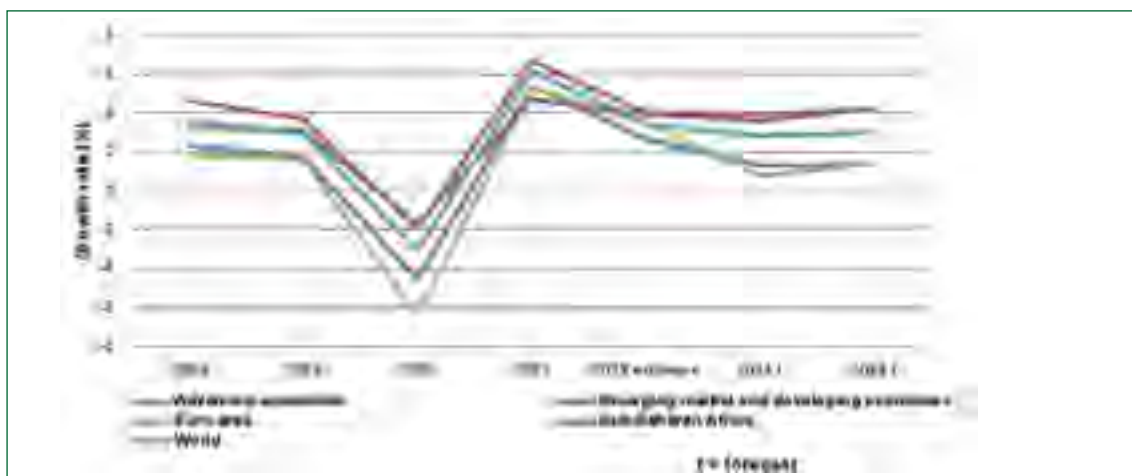
2.1. Service Delivery Environment

Global economic context

A series of severe and mutually reinforcing shocks – the COVID-19 pandemic, the war in Ukraine and subsequent food and energy crises, escalating inflation, debt tightening, and the climate emergency – weighed on the world economy in 2022. As a result, the world output growth slowed to 3.4% in 2022, following a strong rebound of 6.2% in 2021. Despite the gradual decline in inflation and food and energy prices in 2023, the global economic outlook remains uncertain due to additional monetary policy tightening and a deterioration in financial conditions. Subsequently, the global economy is estimated to decelerate to 2.8% in 2023, before increasing gradually and moderating at 3.0% in 2024.

The economic impact of the war between Russia and Ukraine will continue to persist throughout 2023. Advanced economies moderated by an estimated growth of 2.7% in 2022, compared to a 5.4% expansion in 2021, with the Euro area moderating by 3.5% in 2022 compared to a 5.3% recovery in 2021 (IMF: World Economic Outlook, April 2023). The emerging market and developing economies (EMDEs) grew by 4.0% in 2022, after rebounding by 6.7% in 2021. Sub-Saharan Africa grew by 3.9% in 2022, following growth of 4.7% in 2021.

Forecast growth rates of key country categories (percentages)



Source: International Monetary Fund (April 2023)

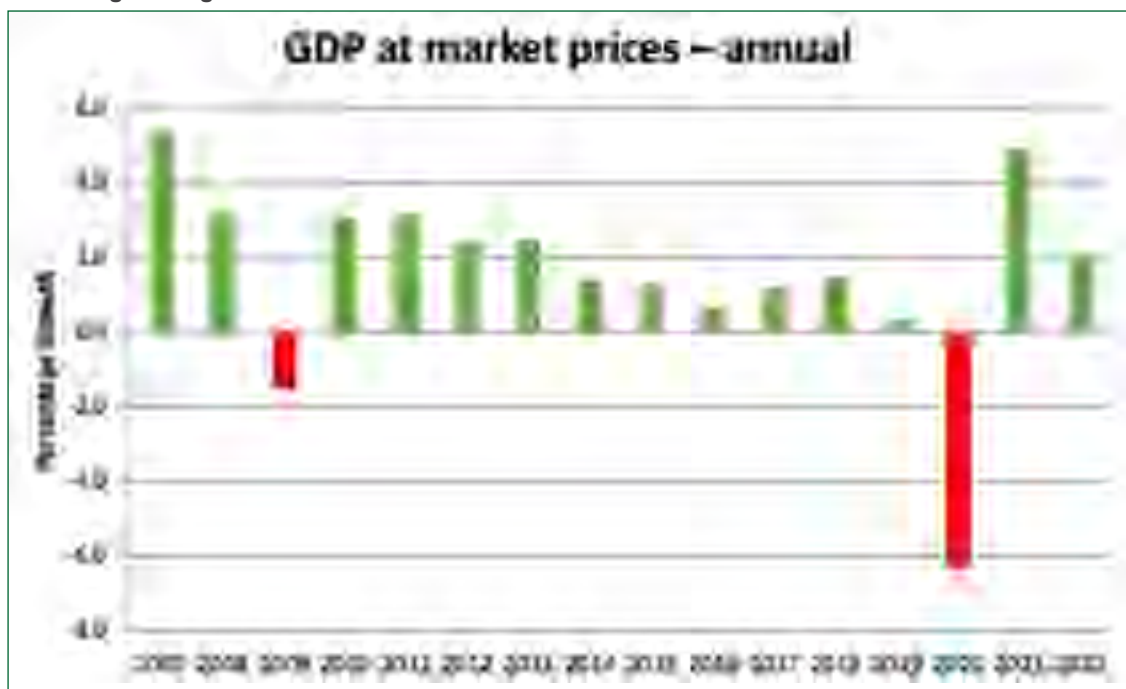
Domestic economic context

Despite continuous and severe electricity supply interruptions, domestic GDP grew by 2.0% in 2022, following robust growth of 4.9% in 2021. Economic growth was mainly driven by the tertiary sector, averaging 3.7% growth, nuancing the impact of poor performance by the other two major sectors – the primary and secondary sectors that fell by 3.4% and 2.0%, respectively.

The decline in the primary sector was mainly due to mining experiencing a cut in production of diamonds, iron ore and platinum as the global economic conditions weighed on commodity demand. Furthermore, persistent power cuts and logistical blockades worsened by the Transnet strike in October 2022 affected production and export potential. Meanwhile, the contraction in the secondary sector could be attributed to the electricity and manufacturing sectors, where the latter bore the pressure from the dampened global demand. Production costs in most sectors of the economy had been severely inflated by the surge in fuel prices and heightened levels of loadshedding. Output was also affected by operational challenges, including safety stoppages and logistics disruptions; persistent freight rail constraints; and industrial actions.

It has been noted that the performance of the economy had not fully recovered from the devastating floods in the second quarter, which left a huge dent on the economy. Furthermore, high levels of market concentration, inefficiencies in network industries, and the high cost of doing business limit the rate at which the economy can grow and create jobs. The greylisting of South Africa by the Financial Action Task Force is expected to worsen matters and dampen growth prospects in 2023.

Percentage change in GDP

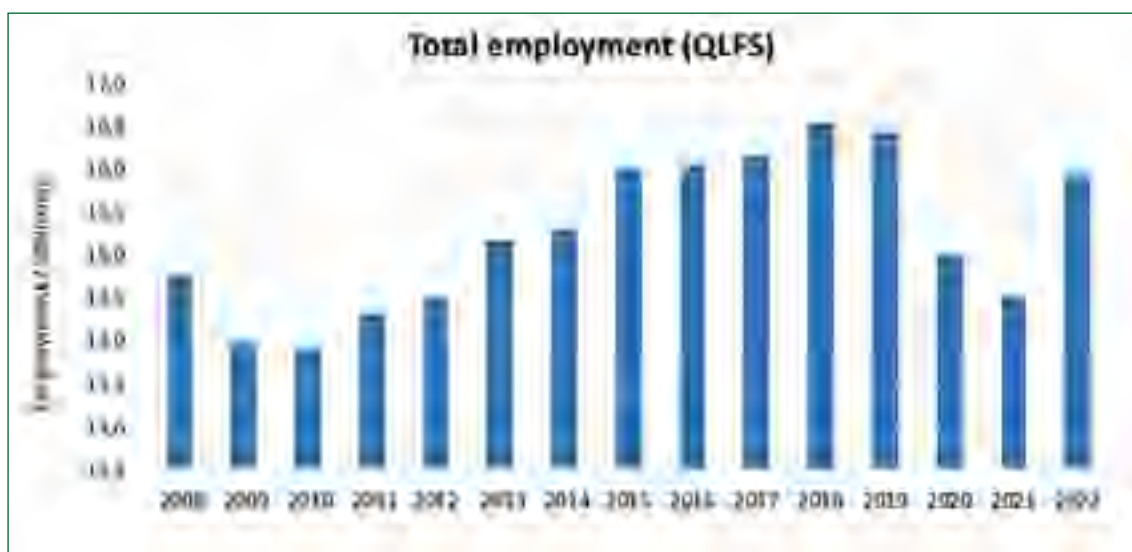


Source: Statistics South Africa

Employment

Following a loss of 479 000 jobs in 2021, the South African workforce recovered 1.4-million jobs in 2022, equivalent to a 9.6% increase. This translates to 16-million employed people, from 14.5 million in 2021. The sectors that gained the most jobs include community and social services (462 000), trade (402 000) and manufacturing (340 000). The increase in employment was realised despite several shocks experienced during the year that weighed on business confidence and forced companies to adapt to increased electricity supply constraints. Meanwhile, the number of unemployed people for the year decreased by 168 000 (-2.1%) compared to 2021. As a result, the unemployment rate for the year under review declined by 2.6 percentage points to settle at 32.7%, from 35.3% in 2021. Despite the increase in jobs and improvement in the unemployment rate, the outlook for the job market remains gloomy given the unstable nature of the economic recovery, with business confidence relatively depressed and economic losses arising from intensified loadshedding.

Total employment: Quarterly Labour Force Survey



Source: Statistics South Africa

Trade Performance

The state of global trade

According to the World Trade Organisation (WTO) report of April 2023, the global trade growth in 2023 is expected to be subpar despite a slight upgrade in GDP projections since the last fall. Weighed down by the effects of the war in Ukraine, stubbornly high inflation, tighter monetary policy and financial market uncertainty, the volume of world merchandise trade is expected to grow by 1.7% this year, following 2.7% growth in 2022 – a smaller-than-expected increase pulled down by a sharp slump in the fourth quarter.

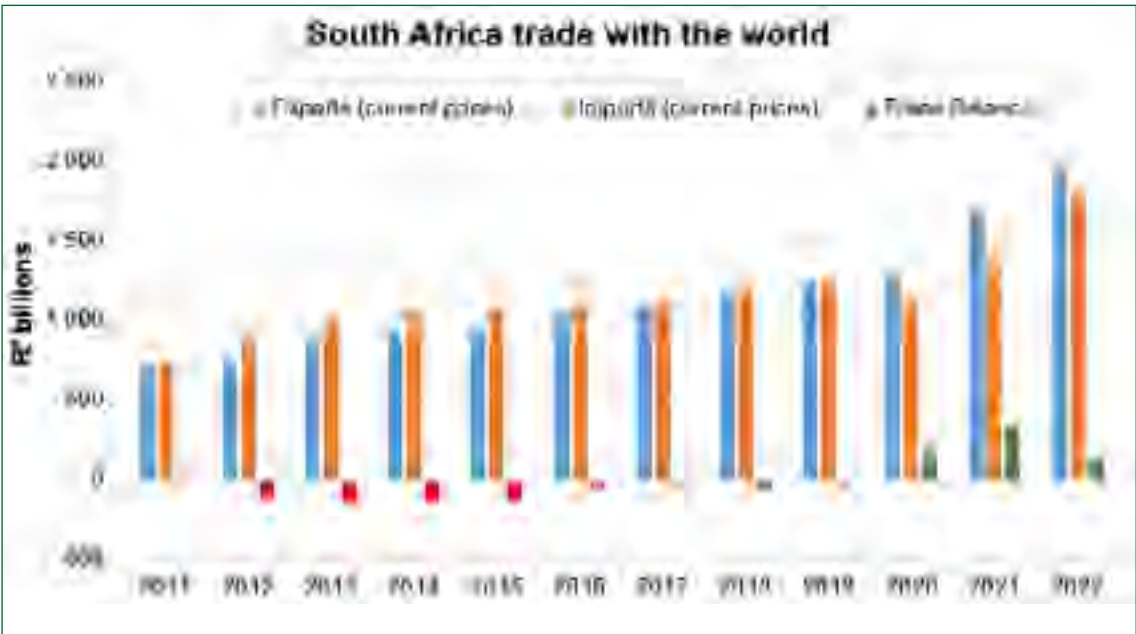
South Africa's trade with the world

For the past three years (2020 to 2022), South Africa has been trading in surplus with the rest of the world. In 2022, trade surplus fell to R135 billion, from R340 billion in 2021. The decrease was driven by the 33% increase in the value of merchandise imports.

The value of merchandise exports soared to R1.9 trillion in 2022, from R1.69 trillion in 2021 – an expansion of approximately 14% (R239 billion). Overall exports of goods increased due to the rise in agriculture

(20%), manufacturing (19%) and mining (3%) in 2022. Agricultural exports were weighed up by cereals and other crops; and fruits, nuts and spice crops. Manufacturing exports were weighed up by basic metals and fabricated metal products; and wood and products of wood and cork.

South African trade with the world



Source: South African Reserve Bank

Trade with Africa

South Africa’s exports to Africa increased to R491 billion in 2022, from R382 billion in 2021, while imports rose to R152 billion, from R127 billion in the same period, resulting in a trade surplus of R339 billion in 2022.

South African exports to the continent were largely driven by products from the mining and quarrying, and manufacturing sectors, which soared by 58% and 26%, respectively.

The Southern African Development Community (SADC) was the most significant trading bloc for South Africa, both in terms of exports and imports, accounting for more than 88% of all South Africa’s exports to Africa. Key markets in the SADC were Mozambique, Botswana, Namibia, Zimbabwe and Zambia.

Africa and South Africa’s trade prospects are expected to improve gradually, but substantially in the medium to long term as implementation of the continent-wide agreement on the African Continental Free Trade Area (AfCFTA) takes place. The AfCFTA entered into force on 1 January 2021, though some aspects of the agreement, such as the rules of origin and tariff lines, are still being finalised.



Source: Quantec

2.2. Service Delivery Improvement Plan

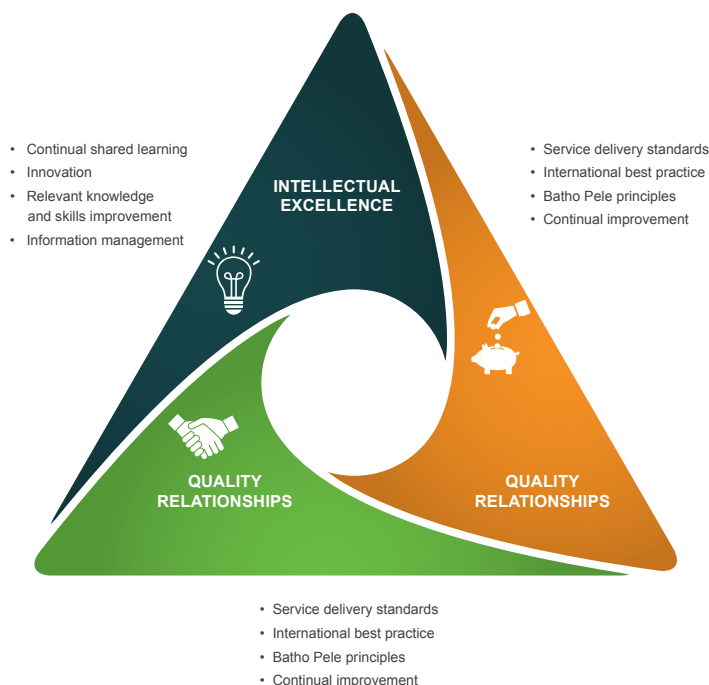
The Department of Public Service and Administration (DPSA) issued the Service Delivery Improvement Plan (SDIP) Circular number one of 2021 informing departments of the review of the 2008 SDIP Directive. The review aims to align the SDIP to the Strategic Planning and Annual Performance Framework as well as the service delivery improvement value chain outlined in the Public Service Regulations of 2016. Subsequent to this circular, SDIP Circular number 14 of 2022 was issued to outline SDIP building blocks that departments need to strengthen for the SDIP development process to be effective, as outlined in the revised SDI directive and template. This circular granted departments an extension to submit their SDIPs on 31 March 2023.

2.3. Organisational environment

Employer value proposition

the dtic's Employer Value Proposition (EVP) is premised on the three core values of quality relationships, intellectual excellence, and operational excellence. This positions the department as an employer of choice, and highlights the benefits prospective employees can expect should they choose to join the department. In addition, it serves as a benchmark for current employees, reminding them what they stand to lose should they leave the department.

Value Discipline Triangle



Workforce

The broader government effort to cut the public service wage bill has reduced the department's ability to fill key positions. Delays in the re-organisation process to rationalise and maximise the utilisation of human resources has had a negative impact on staff well-being, as many have had to take on additional responsibilities and act in positions for extended periods. This was compounded by key positions remaining vacant for extended periods. To minimise the adverse effects on operations, the department focused its energies on optimising staff through the re-assignment of roles and responsibilities.

the dtic approached the Government Technical Advisory Centre (GTAC) for assistance following the failure of the procurement process to appoint a suitable service provider to assist with its fit-for-purpose structure. The project will be implemented in the 2023/24 financial year. It is vital to invest in the right platforms and tools to support the department in delivering on its mandate.

Recruitment efforts

The vacancy rate at the end of the period under review was 17.6%, a 4.7% increase from the 12.9% recorded on 31 March 2022 and exceeding the public sector target of 10%. The department's ability to fill vacancies has been impacted by the broader effort to reduce the government's wage bill and, therefore, only a few critical positions were filled while others remained vacant. The increase in the vacancy rate is a result of the reduced compensation budget and pending decisions regarding the filling of priority posts.

Employment relations

The department continues to maintain a healthy working relationship with organised labour. Twenty-nine disciplinary cases were recorded during the 2022/23 financial year, of which five were formal and 24 informal. These were addressed within an average period of 132 and 11 days, respectively. The average turnaround time of 132 days in formal cases is mainly due to postponements emanating from the replacement of chairpersons and the unavailability of employee representatives. The majority of cases related to failure to disclose financial interests.

Thirty-seven grievances were recorded during the financial year under review, which resulted in average turnaround times of 30 days for the 22 cases below senior management service (SMS) level, and 168 days for the 15 SMS cases, against targets of 30 days and 45 days, respectively. A total of 76% of the grievances were resolved. The number of grievances lodged represented 3.2% of the staff complement. The reduction in turnaround times to acceptable levels will continue to receive attention in the 2023/24 financial year.

Employee health and wellness

The department continued to provide health-related support to employees and direct family members through its well-established on-site clinic and 24/7/365 counselling service.

Performance management

The management of **the dtic** relies on an automated performance management and development system to ensure that services are provided in accordance with established standards. The service standards provide the basis for performance agreements, and enable the efficient tracking of performance. The department has implemented corrective actions for non-adherence to the submission of performance agreements and reviews.

Towards intellectual excellence



As a knowledge-based department, it is essential to prioritise learning, skills development, information management, automation, and innovation to effectively deliver on **the dtic** programmes and services. To this end, **the dtic** identified and implemented various training programmes. In total, 408 employees participated in planned and unplanned training interventions; information and capacity-building sessions; workshops; seminars; and conferences. The department supported the development of 176 employees through its bursary programme: Three obtained certificates; eight advanced diplomas; 72 undergraduate degrees; 43 postgraduate/honours degrees; 39 master's degrees; and 11 PhD qualifications.

Office accommodation – the dtic Campus

During the period under review, **the dtic** focused on maintenance projects, fire compliance audit, and security upgrades. In response to the service delivery challenges **the dtic** had raised with the concessionaire, there was a continued focus on addressing earlier rectification matters throughout the period.

2.4. Key policy developments and legislative changes

Copyright Amendment Bill and Performers' Protection Amendment Bill

The Copyright Amendment Bill and Performers' Protection Amendment Bill were adopted by the National Assembly on 1 September 2022 and referred to the National Council of Provinces. The briefing to the Select Committee on Trade and Industry, Economic Development, Small Business Development, Tourism, Employment and Labour took place on 25 October 2022. Public hearings took place between January and May 2023 in all nine provinces.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

3.1. Significant achievements MTSF 2019-24

Priority 2: Economic transformation and job creation

The department has made notable progress in implementing its MTSF key commitments for the period April 2022 to March 2023. Implementation of the priority sector master plans is continuing under the guidance of executive oversight committees. The department is implementing seven master plans: Automotive, including the Automotive Industry Transformation Fund; clothing, textile, footwear and leather; sugar; poultry; steel and metal fabrication; furniture; and global business services. In addition to the master plans, **the dtic** has committed to implementing the Industrial Parks Revitalisation Programme (IPRP).

Key highlights

Automotive Master Plan

In April 2022, Isuzu Motors South Africa launched the Isuzu D Max in Gqeberha, Eastern Cape, following its investment announcement of R1.2 billion at the 2019 South Africa Investment Conference. This is the first locally engineered and produced seventh-generation bakkie to be produced in South Africa by Isuzu Motors SA.

In September 2022, Heston Harness launched its plant in KwaDukuza, KwaZulu-Natal. In partnership with Yazaki Corporation, Heston Harness manufactures wiring harnesses and instrument clusters supplied to OEMs Toyota, Isuzu, Nissan and Ford.

Since the announcement of the R15.8-billion investment by Ford Company of Southern Africa, significant strides have been made in the construction of the Tshwane Automotive SEZ. The plant has a capacity to build 200 000 vehicles annually, targeting 100 global markets. In November 2022, the production of the first next-generation Ford Ranger at the Silverton Plant in Pretoria commenced, resulting in the creation of 1 200 additional jobs and bringing the Ford workforce in South Africa to 5 500 employees.

The electronic vehicle (EV) roadmap was presented to the Economic Sectors, Investment, Employment and Infrastructure Development (ESIEID) directors-general cluster in December 2022 for approval to present to Cabinet. The department is engaging with stakeholders such as the National Treasury and the IDC on possible funding instruments to support the local production of EVs.

Automotive Industry Transformation Fund (AITF): The AITF has been established as an industry Equity Equivalent Investment Programme (EEIP) to facilitate transformation and enhance localisation of the automotive component supply value chain. The following companies were approved under the AITF during the financial year:

- **Milisa Technology** – a 30% black-women-owned company offering bodyshop technology support, asset-care management, and plant optimisation. The company is based in East London and has Mercedes Benz as a key client. R1.5 million was approved under the AITF and is expected to create 36 jobs.
- **Africa Auto Group (Pty) Ltd** was established in 2017 by Lionel Arnolds and Mandla Madwara. The company supplies e-coating to component manufacturers and assemblers in the automotive, consumer electronics and renewable energy sectors. The company received support from AITF to acquire 100% shareholding in a company called Electrocoat. The acquisition is to ensure continuity of supply in the manufacturing of automotive components, in particular Isuzu Motors. R5.5 million was approved under the AITF, and is expected to create four jobs and retain 18.

Steel Master Plan

Cabinet approved a comprehensive package of measures to address the damage to public infrastructure and the economy by restricting trade in waste, scrap and semi-processed metals. The interventions include the imposition of a temporary export prohibition on copper waste and scrap, ferrous waste and scrap, and re-melting scrap ingots of iron or steel; amendment of the Second Hand Goods Regulations; and the development of a scrap metal licensing system.

Key investments include:

- Construction of a new flat steel plant by Scaw Metals, which kicked off at the end of the 2022/23 financial year. Total investment in the plant was confirmed at R3.3 billion. Once operational, the plant will have a production capacity of 500 000 tons of flat steel per annum. It is estimated that about 250 permanent jobs will be created, adding to the 5 000 employees already employed by the Scaw and Barnes Group.
- AMSA launched its re-branded rails mill at the Highveld complex with the capacity to manufacture 15 000 tons of rails per month. The mill will produce 2257KG (R260 steel) rails, and supply part of the South African rail network, and rail infrastructure projects in Africa. When fully operational, the plant will create 250 jobs. The potential annual import replacement is estimated at R1 billion for structural steel, and R500 million for mainline rails.

Sugar Master Plan

A total of R 7.7 million in funding was secured through the South African Sugar Association (R3.9 million) and IDC (R3.8 million) for a downstream diversification study of the sugar cane industry (i.e. the viability of South African sugarcane as feedstock for the production of sustainable aviation fuel). In 2018, the Sugar Transformation Fund committed R1 billion for five years, allocating R200 million annually for disbursement to farmers according to defined interventions. During the 2022/23 financial year, R216 million was allocated to sugar cane growers.

Retail-Clothing Textile Footwear and Leather (R-CTFL) Master Plan

The implementation of the master plan is progressing well, with the government putting in place various measures to support the industry. The rebate facility provided under the Woven Rebate Utilisation Programme is a case in point, enabling companies such as Pep Clothing to manufacture school trousers and shirts that

were previously imported. This resulted in the creation of between 20 and 30 jobs, and the retention of 1 600 jobs. At the end of March 2022, investment pledges by the CTFL industry stood at R616 million, and a total of 9 059 jobs were supported (785 new and 8 274 sustained).

Poultry Master Plan

Since implementation of the master plan, the poultry industry reported at the end of March 2023 a total investment of R1.8 billion, exceeding the original commitment of R1.5 billion, and creating 1 888 jobs. In total, employment increased from 20 000 in 2019 to 51 999 in 2022, implying 4% growth. Investments include the R210-million investment by Country Bird Holdings to ramp up productivity, creating 250 new jobs.

Industrial Park Revitalisation Programme

Another intervention supporting priority 2 is the implementation of the IPRP. To date, 12 industrial parks have been revitalised, with one currently in reconstruction phase. Despite these achievements, the department is consolidating its work on the IPRP to reconfigure its approach to include changes in the ownership and management composition, ensuring that proper management structures and financial management are in place. The new approach will focus broadly on the development of district economies rather than just fenced enclave areas.

Priority 7: A Better Africa and World

The Southern African Customs Unions (SACU) finalised and submitted its 90% offer in February 2023 for verification by the AfCFTA Secretariat. Once approved by the AfCFTA Council of Ministers for provisional implementation, South Africa and other SACU members will be able to trade preferentially with AfCFTA countries that have approved the tariff offers.

The AfCFTA negotiations on trade in services are continuing among the state parties that have submitted initial offers. About 48 offers have been submitted, of which 21 have been adopted by the Council of Ministers for provisional implementation.

On 13 April 2023, the department and the Presidency convened the 5th annual investment conference. Total investment made since the 2018 amounted to R1,5 trillion, representing 126% of the R1.2-trillion target.

3.2. Achievement Per Programme

Programme 1: Administration

Outcome	Outcome indicator	Five-year target	Progress
Implement transformation through employment equity and broad-based black economic empowerment (B-BBEE)	Percentage (%) of people with disability employed	3.5%	4.2%
	Percentage (%) of women employed in senior management positions	50%	55%
Youth empowerment	Number of interns appointed	162	31
Promote a professional, ethical, dynamic, competitive and customer-focused working environment that ensures effective and efficient service delivery	Percentage (%) of eligible creditors payments processed within legal timeframes	100% eligible creditors' payments made within 30 days	99.9% of eligible creditors' payments made within 30 days

Programme 2: Trade Policy

Outcome	Outcome indicator	Five-year target	Progress
Increased intra-Africa trade to support African regional development	% tariffs progressively eliminated	90% of tariff lines reduced by 20% per year over a five-year period	46 member states/CUs have submitted tariff offers on Category A (90% of tariff lines). Thirty-eight of these have been verified to be in compliance with the adopted modalities. Preferential trade has commenced between a few countries (Ghana, Kenya, Mauritius, Egypt and Rwanda). SACU announced finalisation of tariff offer covering 90% of its tariff book to the 11 th AfCFTA Council of Ministers of Trade in Gaborone, Botswana in February 2023. The offer was formally submitted to the AfCFTA Secretariat for verification. Once technically verified and approved by the AfCFTA Council of Ministers for provisional implementation, South Africa and other SACU members will be able to trade preferentially with other AfCFTA state parties that have approved tariff offers. Agreed rules of origin cover 88.03% of tariff lines. Negotiations to finalise rules of origin on automobiles and clothing and textiles are ongoing. The 11 th Council of Ministers directed the conclusion of the outstanding rules of origin by end June 2023.

Programme 3: Spatial Industrial Development

Outcome	Outcome indicator	Five-year target	Progress
Increased and enhanced instruments for spatial development of targeted regions and economic transformation	Increased investment through special economic zones (SEZs) and industrial parks	10 implementation reports on SEZs 10 implementation reports on industrial parks	1 bi-annual report and 1 annual report per year Information on performance of SEZs requested from zones and updates on construction projects Progress on governance and institutional arrangements requested for bi-annual report
Industrialisation, localisation and exports	Increased investment through industrial parks	27 industrial parks revitalised based on the current budget – should budget increase, the target will be revised	12 industrial parks revitalised, with 1 currently in reconstruction phase
Investing for accelerated inclusive growth	Increased number of black people and black-owned businesses that participate in the mainstream economy	10 implementation reports on B-BBEE legislation	1 bi-annual report and 1 annual report on implementation B-BBEE submitted

Programme 4: Sectors¹

Outcome	Outcome indicator	Five-year target	Progress
Increased industrialisation through the development of master plans in national priority sectors	Developed master plans as per the Reimagined Industrial Strategy (RIS)	5 master plans developed by the end of 2021 20 progress reports on the implementation of master plans	6 master plans developed by end of 2021, i.e. automotives; poultry; sugar; furniture, steel and metal fabrication; and R-CTFL
Increased localisation through the designation of products	Designations prepared	2 designations per year 10 products designated by 2025	3 designations prepared for Minister, i.e. light motor vehicles (LMV), poultry, and cement. Note: Cement designation was approved by National Treasury in 2021 LMV and poultry were submitted to the Minister, but affected by the legislative changes in the Preferential Bill
	Increased localisation through the designation of products	10 products designated by 2025	28 products designated to date

¹ The formal name of this programme is Industrial Policy

Programme 5: Consumer and Corporate Regulation

Outcome	Outcome indicator	Five-year target	Progress
Improved regulatory environment conducive for consumers and companies, and providing access to redress	Improved regulatory environment in the areas of gambling, companies, consumer protection, credit and lotteries	Development or review of legislation in the areas of gambling, companies, consumer protection, credit and lotteries or any legislation announced by the Minister at the State of the Nation Address (SONA)	<p>Gambling Amendment Bill: Scheduled for mediation, however, the meeting was cancelled without a further date.</p> <p>Companies Amendment Bill: Publicised for comment, and a report was sent to the Minister based on the comments from stakeholders.</p> <p>National Treasury coordinated the amendments to the General Laws Amendment Act (GLAA), which also amended the Companies Act, and some of the provisions in the Bill were part of the Act. The Act was assented to on 29 December 2022. the dtic is finalising the regulations to implement the GLAA.</p>

Programme 6: Industrial Financing

Outcome	Outcome indicator	Five-year target	Progress
Increased accessible industrial finance measures to support investment in priority sectors in line with approved master plans	Value (Rand) of projected investments to be leveraged from enterprises/projects approved	R75-billion private-sector investment leveraged and annual targets on jobs and enterprises achieved	R42-billion projected investment by approved enterprises/projects

Programme 7: Exports²

Outcome	Outcome indicator	Five-year target	Progress
Promote the growth of exports in the economy as a generator of jobs and contributor to GDP growth.	Exports to grow 1% faster than output growth in productive sectors	Export growth in constant Rands to grow 1% faster than GDP growth in constant Rands for primary and secondary sectors, based on a five-year rolling average	<p>Annual: April – March (2022/23)</p> <p>The value of targets set is not in the department's span of control. As such, it reports on the tangible and measurable contributions implemented in supporting South African exporters to increase and diversify their exports.</p> <p>During the period 1 April 2022 to 31 March 2023, the department funded, through its Export Marketing and Investment Assistance (EMIA) scheme, the participation of 320 South African companies in the following 22 events:</p> <ul style="list-style-type: none"> • DRC Mining Week • West Africa Mining and Power Expo (WAMPEX) • Africa Big 7 • Offshore Technology Conference • Feira Internacional de Luanda (FILDA) • Feira Internacional de Maputo (FACIM) • Africa Aerospace and Defence (AAD) • Automechanika Germany • Malaysia International Halal Show (MIHAS) • SIAL Paris Exhibition • Africa Health Exhibition • Abu Dhabi International Petroleum Exhibition and Conference (ADIPEC) • Fruit Logistica Asia • Footwear and Leather Show • Automechanika Middle East • Africa Oil Week • Arab Health 2023 • Gulfood 2023 • IDEX 2023 • Fruit Logistica Berlin 2023 • Foodex Japan 2023 • Outward Selling Mission Spain 2023

² The formal name of this programme is Trade and Investment South Africa

Outcome	Outcome indicator	Five-year target	Progress
Diversify the export bundle, by promoting export growth in priority sectors	Exports in priority sectors to grow 2% faster than output growth in manufacturing sectors	Export growth for selected HS codes in constant Rands to grow 2% faster than GDP growth in constant Rands for manufacturing, based on a five-year rolling average	<p>Annual: April – March (2022/23)</p> <p>The value of targets set is not in the department's span of control. As such, it reports on the tangible and measurable contributions implemented in supporting South African exporters to increase and diversify their exports.</p> <p>During the financial year, the department funded, through EMIA, the participation of 320 South African companies in 22 events. Of these, 139 were black-owned and 38 were women-owned entities.</p>
Grow the manufacturing sector to promote industrial development, job creation, investment and export	-	-	<p>Annual: April – March (2022/23)</p> <p>During the financial year, the department funded through EMIA the participation of 320 South African companies in 22 events. Of these, 139 were black-owned and 38 were women-owned entities.</p>

Programme 8: Investment³

Outcome	Outcome indicator	Five-year target	Progress
Increased strategic investment	Percentage growth per annum in the value (Rand) of investment projects facilitated in pipeline	R500bn in domestic and foreign direct investment	The branch achieved an investment target of R129.860bn against the annual target of R120bn

³ The formal name of this programme is Invest South Africa

Programme 9: Competition Policy

Outcome	Outcome indicator	Five-year target	Progress
Policy tools and implementation strategies that contribute to an efficient, competitive economic environment, balancing the interests of workers, owners and consumers, and focused on economic development	Number of policy initiatives, strategic interventions, and implementation strategies enhancing competition and development in the economy	20 competition oversight reports 20 reports on strategic participation in competition matters 20 reports on the impact of coordination efforts with regard to recommendations, commitments and orders Total: 60 reports	26 competition oversight reports 14 reports on strategic participation in competition matters 16 reports on the impact of coordination efforts with regard to recommendations, commitments and orders Total: 56 reports

Programme 10: Economic Research and Coordination

Outcome	Outcome indicator	Five year target	Progress
Socio-, macro- and microeconomic policy options developed and assessed to promote inclusive growth	Economic policy reports	48 reports	25 reports
Policymakers and stakeholders have access to policy-relevant, high-quality economic analysis	Socio-economic research reports	38 reports	18 reports

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1. Programme 1: Administration

a. Purpose

Provide strategic leadership, management and support services to the department.

b. Description of sub-programmes

- i. **The Ministry** provides leadership and policy direction to **the dtic**.
- ii. **The Office of the Director-General** (ODG) provides overall management of **the dtic's** resources.
- iii. **Corporate Services** provides customer-centric and integrated resource solutions in human resource management, information and communication technology (ICT), legal services, and facilities management.
- iv. **Office Accommodation** is an allocation for accommodation services to **the dtic** regional offices and ensures continued maintenance service.

v. **Financial Management** provides support to **the dtic**, with respect to financial resource allocation and the management thereof, to aid the fulfilment of the department's goals and objectives.

vi. **Marketing, Communication and Media Relations** facilitates greater awareness of the department's role and increases the uptake of its products and services; and ensures it is projected positively in the media by influencing the content of all media in favour of the department.

c. Institutional outcomes towards which the programme contributes

Programme 1 contributes to strategic outcome no. 3, Capable State. The bedrock of well-functioning programmes is a solid administration. This includes support in the areas of human resource development, ICT, finance, and management coordination through the Office of the Director-General.

This programme is a supporting, coordinating and integrating function for the work of the department's other programmes (i.e. programmes 2 to 10). Over the past number of years, innovations in administrative and coordinating practices in both public and private institutions have enabled new ways in which to enhance impact. **the dtic** will need to update its systems and managerial practices to reflect such innovations. In particular, it will need to create a high-performance environment throughout **the dtic** and its entities, producing quality services in the economy and to the public, and with a minimum of administrative burden to its staff and the users of its services.

- Over the reporting period, the programme provided the department with effective budget, human resources and legal support, and an enabling ICT environment, which included the following:
 - Review and recommendations on improvements to the structure of **the dtic**.
 - Provision of suitable skills training.
 - Improvements to the stability of IT platforms, including the resilience of web infrastructure and use of virtual communications tools by installing an additional 2 1GB internet lines to increase capacity.
 - Development of a reporting tool to improve oversight of IT performance.
 - Development of an analysis plan to improve IT performance.
 - Reduction of red tape and improvements for the ease of use of the internal and external systems and processes of **the dtic**.

Policy commitments	Status	Detailed update	Responsible official
1. Red-tape reduction: By December 2022, the dtic is to have in place concrete measures to cut red tape and streamline its processes, and make them accessible and less onerous for entrepreneurs and citizens	Completed	Programme 1: Administration 1.1. Electronic signatures and document signing workflow rolled out 1.2. Removed unnecessary requirements on some internally requested PAIA records 1.3. Introduced an efficient internal bursary approval process 1.4. Reviewed internal delegations of authority on repetitive reporting to alleviate pressure on A/DG's office 1.5. Reviewed various operational policies for improved efficiency, including a streamlined access control process.	CMSB

- The programme developed and ensured the operation of an anti-corruption unit for **the dtic** and its entities.
 - Analysis performed and pending decision from executive authority
- Implemented transformation targets of **the dtic**, including for employment of women, youth, and people with a disability.
 - Significant efforts have been made to encourage a re-imagined work environment, which is an essential factor in creating a united yet diverse team. With continuous monitoring via the employment equity committee, people with a disability represent 4.2% of the department, which is above the Cabinet target of 2%, with women in SMS reaching 55%, above the Cabinet target of 50%.
 - Thirty-one interns were appointed during the 2023/24 financial year, for a maximum period of two years, and exposed to numerous training interventions. One intern left the department on 1 January 2023 to assume employment elsewhere, leaving the number at 30. However, one intern from the 2021/22 intake was still in the department's employ until May 2023, bringing the total number of interns employed by **the dtic** to 31.

4.1.1 Outcomes, outputs, output indicators, targets and actual achievements

Human resources

The annual targets set for achievement by 31 March 2023 have been successfully met as follows:

- A single progress report has been submitted concerning recommendations aimed at enhancing the structure of **the dtic**.
- One report has been provided detailing the implementation of the Organisational Structure and Annual Skills Development Project Plan.
- Two reports have been produced outlining the progress made in enhancing anti-fraud measures and leading to the establishment of a fully functional anti-corruption unit.
- One report has been submitted concerning recommendations aimed at enhancing the performance of the monitoring and evaluation unit.

- A target of 3.5% was set for the representation of people with a disability and exceeded by 0.7%, resulting in a 4.2% representation.
- A target of 50% for the employment of women in SMS was set and exceeded by 5%, resulting in a 55% representation.
- The set target of 31 interns to be appointed was met.

ICT

- A report was produced on an improvement of ICT services. The report included the successful installation of a 2 1GB internet line, which will ensure the availability of stable, fast, backed-up internet to improve connectivity and facilities for the use of virtual communication tools. The 2 1GB line was installed successfully, and the traffic for the virtual communication tool is routed through this line.
- Two ICT plans were submitted. The plans focus on activities and initiatives undertaken to ensure improvements to the stability of IT platforms. A service provider was appointed to refresh obsolete server infrastructure and capacitate the disaster recovery site. The initiative will mitigate the risk of system unavailability due to infrastructure failure.
- The IT reporting tool is currently being used to actively monitor the availability of the IT infrastructure, forecast resources within the IT infrastructure, and provide periodical reporting on the infrastructure. The staff will be able to proactively attend to incidents to minimise the unavailability of the IT infrastructure.

Legal services

One annual report was submitted detailing the achievement of specified turnaround times for contracts/memoranda of agreements (MoAs)/service level agreements (SLAs), opinions and litigation on the set targets. Turnaround times set out in the 2022/23 APP were achieved as follows:

- 188 contracts finalised within average of five days
- 19 urgent opinions provided within average of one day
- 78 normal opinions attended to within average of four days
- 42 litigation attended to within average of three days
- 65 legislation attended to within average of two days

Judgments

A total of 11 judgments were issued. Seven (64%) were found in favour of **the dtic**; three (27%) were found against **the dtic**; and one (9%) was unopposed.

4.1.2 Report against the originally tabled Annual Performance Plan

Programme/sub-programme: Administration									
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations	
Capable state	Reports on the following: 1. Recommendations to improve the structure of the dtic	Number of progress reports on recommendations to improve the structure of the dtic	New indicator	New indicator	1	1	N/A	N/A	
	2. The optimisation of financial resources that actively support the work of the dtic	Number of progress reports on the optimisation of financial resources that actively support the work of the dtic	New indicator	New indicator	1	2	1	Optimisation of financial resources in response to the energy crisis	
	3. Implementation of the Organisational Structure and Annual Skills Development Project Plan	Number of reports on the implementation of the Organisational Structure and Annual Skills Development Project Plan	New indicator	New indicator	1	1	N/A		
	4. Achievement of specified turnaround times for contracts/ MoAs/ SLAs, opinions and litigation	Number of progress reports on the achievement of specified turnaround times for contracts/MoAs/SLAs, opinions and litigation	New indicator	New indicator	1	1	N/A	N/A	
	5. Annual client satisfaction survey conducted and corrective action plan produced	A report on the annual client satisfaction survey conducted and corrective action plan produced	New indicator	New indicator	1	1	N/A	N/A	

Programme/sub-programme: Administration									
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations	
Capable state	Reports on the following: 1. Improvements to the stability of IT platforms, including the resilience of web infrastructure and use of virtual communications tools 2. A reporting tool to improve oversight of IT performance	Number of progress reports on the availability of stable, fast, backed-up internet connectivity and the facilities for the use of virtual communications tools	New indicator	New indicator	1	1	N/A	N/A	
		A report on the implementation of the Reporting Tool Project Plan	New indicator	New indicator	1	1	N/A	N/A	
		Number of analysis plans identifying improvements to IT performance developed	New indicator	New indicator	2	2	N/A	N/A	
	3. A report on capacitation and consolidation of anti-fraud measures into a fully functional anti-corruption unit	Number of reports on the capacitation and consolidation of anti-fraud measures into a fully functional anti-corruption unit	New indicator	New indicator	2	2	N/A	N/A	
		% of cases received to be completed up to final report stage, by the end of the financial year	New indicator	New indicator	60%	67%	7%	The preliminary investigation was conducted for certain cases, which led to the completion of investigations in a shorter period of time	
	Cases completed					Forensic statistics report produced			

Programme/sub-programme: Administration									
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations	
Capable state	Media stories published	Number of media stories on the work of the dtic published	New indicator	New indicator	50	125 stories published on the work of the dtic	75	More communication opportunities	
	Report on the effectiveness of the dtic communications in communities and industry	A report on the effectiveness of the dtic communications in communities and industry	New indicator	New indicator	1	1	N/A	N/A	
	Factsheets on the dtic services produced	Number of factsheets on the dtic services produced	New indicator	New indicator	7	7	N/A	N/A	
	Support provided to Cabinet and parliamentary processes	Number of reports completed in support of Cabinet and parliamentary processes. In the form of : 1. Briefing memoranda to executive authority 2. Report on 100% implementation of requests for Cabinet memoranda and relevant Cabinet decisions 3. Presentations to Portfolio and Select Committees 4. Action minutes outlining support provided to Cabinet and parliamentary process	New indicator	New indicator	4	4	N/A	N/A	

Programme/sub-programme: Administration									
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations	
Capable state	Action minutes outlining steps taken to improve the performance of the monitoring and evaluation unit	Number of action minutes outlining steps taken to improve the performance of the monitoring and evaluation unit	New indicator	New indicator	1	1	N/A	N/A	
	A report on red-tape reduction	Number of progress reports on red-tape reduction in the internal and external systems and processes of the dtic	New indicator	New indicator	2	2	N/A	N/A	
Transformation	People with disability, women and youth interns employed by the dtic	Percentage (%) of people with a disability employed	3.9%	3.5%	3.5%	4.2%	0.7%	Percentage is based on the current headcount	
		Percentage (%) of women at SMS level	53%	50%	50%	55%	5%	Percentage is based on the current headcount	
	Procurement approved towards women-, youth- and people-with-disability-owned businesses	Number of interns appointed	New indicator	New indicator	31	31	N/A	N/A	
		(%) of procurement approved towards women-, youth- and people-with-disability-owned businesses	New indicator	New indicator	25%	Women – R102 107 042.60 44% Youth – R28 571 022.4-7 12% PWD – R2 033 627.89 1%	19% (The 44% for women is inclusive of procurement towards youth and people with disability)	Initiated targeted training relating to people with disability	

Programme/sub-programme: Administration								
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations
Effective service delivery and capable state	Entity oversight covering: 1. Revised oversight framework 2. Operation and staffing of an entity oversight unit and implementation of improved oversight 3. Rationalisation of entities submitted to Minister for consideration	Finalisation, approval and implementation of oversight framework	New indicator	New indicator	Approved oversight framework	Enhancements to oversight framework approved and implemented. Enhancements related to: • Quarterly reports of entities • Board and CEO appointment processes • Entities reporting to the Audit Committee	N/A	N/A
		A proposal for the operation and staffing of an entity oversight unit and implementation of improved oversight	New indicator	New indicator	1	1	N/A	N/A
		A proposal for rationalisation of entities submitted to Minister for consideration	New indicator	New indicator	1	1	N/A	N/A

Programme/sub-programme: Administration								
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations
Effective Service Delivery and Capable State	Shared services framework for the dtic and entities	Number of status reports on the implementation of the shared services framework covering the dtic and selected entities	New indicator	New indicator	1	1 status report completed covering the following areas: - Forensic services performed - ICT-API project	N/A	N/A
	Coordinated participation in department's clusters and engagements with provincial government	Number of cluster participation and provincial engagement reports (4); and integrated report on district spatial industrial initiatives (9)	New indicator	New indicator	13	13	N/A	N/A
	Status report completed regarding work on social compacts by the dtic and entities to support the proposals set out in the SONA and the Economic Reconstruction and Recovery Plan (ERP) to promote growth and jobs; and engagement with other relevant forums	Status report to executive authority on implementation of social compact commitments; and engagements with the National Economic Development and Labour Council (NEDLAC)	New indicator	New indicator	1	1	N/A	N/A

4.1.3 Linking performance with budgets

As at 31 March 2023, the programme spent 95.6% of its budget in providing strategic leadership, management and support services to the core programmes of the department.

4.1.4 Sub-programme expenditure

Sub-programme	2022/23			2021/22		
	Final appropriation	Actual expenditure	(Over)/under expenditure	Final appropriation	Actual expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Ministry	41 660	38 657	3 003	41 860	33 932	7 928
Office of the Director-General	82 095	77 033	5 062	88 210	82 349	5 861
Corporate Management Services	547 195	522 322	24 873	510 144	489 945	20 199
Office Accommodation	3 150	2 571	579	3 937	3 060	877
Financial Management Services	70 627	68 803	1 824	87 080	66 866	20 214
Marketing Communication and Media Relations	50 551	50 542	9	56 027	45 113	10 914
Total	795 278	759 928	35 350	787 258	721 265	65 993

4.1.5 Strategy to overcome areas of underperformance

N/A

4.1.6 Performance in relation to standardised outputs and output indicators for sectors with concurrent functions

N/A

4.2. Programme 2: Trade Policy

a. Purpose

Build an equitable global trading system that facilitates development by strengthening trade and investment links with key economies and fostering African development, including regional and continental integration and development cooperation in line with the African Union (AU) Agenda 2063.

b. Description of sub-programmes

- i. **International Trade Development** facilitates bilateral and multilateral trade relations and agreements.
- ii. **African Multilateral Economic Development** facilitates multilateral African trade relations aimed at deepening regional integration.

c. Institutional outcomes towards which the programme contributes

Programme 2 focuses on the negotiation and implementation of South Africa's international trade and investment agreements at bilateral, regional and multilateral levels. In negotiating such agreements, the programme seeks to create opportunities to increase South African exports of higher value-added products and encourage inward investment, while ensuring it preserves the development of policy space to protect and strengthen domestic industrial capacity and employment, particularly in sensitive sectors.

4.2.1 Outcomes, outputs, output indicators, targets and actual achievements

Work on regional economic integration has continued, particularly in the AfCFTA. The department has worked with SACU to develop common SACU positions on trade in goods, and submitted the SACU tariff offer covering 90% of the tariff book. AU heads of state and government finalised and adopted the phase II protocols on investment, competition and intellectual property rights with an agreed built-in agenda for the finalisation of outstanding issues.

In the SADC, negotiations to extend commitments on trade in services continued. A long-standing matter of non-recognition of SADC certificates of origin on petroleum products from South Africa and exported to Zambia was concluded. Amendments to the SADC protocol on trade incorporating provisions to implement electronic certificates of origin have entered into force.

In SACU, work is ongoing in the new technical committee on cooperation on industrial development, export and investment promotion. The SACU summit adopted the SACU Strategic Plan 2022 – 2027, which will guide the implementation of SACU's refocused work programme over the next five years.

South Africa continued to engage and negotiate at the WTO, BRICS and the G20 to advance a developmental agenda. At the 12th WTO Ministerial Conference in June 2022, a decision on the TRIPS Agreement was taken to reaffirm and clarify existing flexibilities and to ease some onerous notification requirements for compulsory licences. The decision enables the production and supply of COVID-19 vaccines, their ingredients and components under patent without the authorisation of the patent holders. The BRICS Contact Group on Economic and Trade Issues deliberated on responses to under-invoicing; diversification of supply chains for resilience; and cooperation on micro, small and medium enterprises (MSMEs), and the multilateral trading system and the WTO reform. In the engagements in the G20, South Africa advocated for measures that would promote industrialisation

and allow developing countries to move up the global value chain to capture a higher share of its benefits. South Africa also advocated for addressing the growing digital divide between developed and developing countries.

On the SADC-European Union (EU) Economic Partnership Agreement (EPA), the parties concluded the dispute process initiated by the EU regarding bilateral safeguard measures imposed on bone-in poultry products imported from the EU. The dispute was concluded in favour of SACU on the majority of claims made by the EU.

With regard to bilateral engagements, market access barriers for the export of greasy wool to China and meat to Saudi Arabia was resolved. Various bilateral engagements were held with the EU to find solutions for trade concerns, including on citrus. Other bilateral engagements took place with the following countries: Spain, the United Kingdom (UK), Saudi Arabia, China, Korea, Japan, Vietnam, the United States (US), Cuba, Philippines, Switzerland, and Russia. South Africa will be hosting the AGOA Forum in 2023, and in this regard is collaborating closely with the US government.

the dtic is responsible for the implementation of South Africa's policy on the non-proliferation of weapons of mass destruction. The Non-Proliferation Council, together with the National Institute for Communicable Diseases (NICD), and the United Nations Office for Disarmament Affairs (UNODA), hosted a basic training course within the framework of the United Nations (UN) Secretary-General's Mechanism to carry out investigations in response to allegations of the possible use of chemical and bacteriological (biological) and toxin weapons. This was the first course of this kind to be held in Africa.

4.2.2 Report against the originally tabled Annual Performance Plan

Programme/sub-programme: Trade Policy								
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviation
Industrialisation	Tariff offer approved by SACU	A tariff offer approved by SACU covering 90% of tariffs submitted to the AfCFTA and implemented	New indicator	New indicator	1	1 tariff offer has been approved by SACU and submitted to the AfCFTA	N/A	N/A
	SA services offer	Finalisation and submission of South African services offer in five priority sectors	New indicator	New indicator	1	1 SA services offer was finalised and tabled at the ICTS cluster	N/A	N/A
	Country proposals on draft protocols on investment, competition and intellectual property	Number of country proposals on draft protocols on investment, competition and intellectual property	New indicator	New indicator	3	3 country proposals on rules of origin for clothing products and automobiles drafted	N/A	N/A
	Country proposals on rules of origin for clothing products and automobiles	Number of country proposals on rules of origin for clothing products and automobiles	New indicator	New indicator	1	1 country proposal on rules of origin for clothing products and automobiles drafted	N/A	N/A
	A report on bilateral engagement with 10 countries on services offer in five priority sectors	Number of progress reports on bilateral engagement with 10 countries on services offer in five priority sectors	New indicator	New indicator	1	1 progress report prepared on bilateral engagements with 10 countries on services offer in five priority sectors	N/A	N/A

Programme/sub-programme: Trade Policy									
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviation	
Industrialisation	A report on the following: <ul style="list-style-type: none"> Review of the SADC-EU EPA African Growth and Opportunity Act (US) Bilateral initiatives with selected Asian, Latin American and Middle East trading partners Support to state visits and other international engagements 	Number of progress reports on review of the SADC-EU EPA	New indicator	New indicator	1	1 progress report on the review of SADC-EU EPA prepared	N/A	N/A	
		Number of progress reports on the African Growth and Opportunity Act (US)	New indicator	New indicator	2	2 reports on engagements with the US on AGOA submitted	N/A	N/A	
		Number of progress reports on bilateral initiatives with selected Asian, Latin American and Middle East trading partners	New indicator	New indicator	2	2 reports on bilateral initiatives with selected Asian, Latin American and Middle East trading partners	N/A	N/A	
		Number of progress reports setting out support to state visits and other international engagements	New indicator	New indicator	1	1 report setting out support to state visits and other international engagements	N/A	N/A	
	Reports on SA's engagements with: <ul style="list-style-type: none"> WTO G20 BRICS 	Number of reports setting out progress in engagements with WTO, G20 and BRICS	New indicator	New indicator	8	3 reports prepared on the outcome of engagements at WTO 3 reports prepared on the outcome of engagements with G20 2 reports prepared on the outcome of engagements in BRICS	N/A	N/A	

Programme/sub-programme: Trade Policy								
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviation
Capable State (effective delivery/ implementation)	Evaluation reports on tariff recommendations made by ITAC	Number of evaluation reports on tariff recommendations made by ITAC	New indicator	New indicator	1	1 evaluation report prepared on ITAC recommendations	N/A	N/A
	Report on social compacts developed to promote the department's strategic objectives, such as competitiveness and jobs	Number of reports on social compacts developed to promote the department's strategic objectives, such as competitiveness and jobs	New indicator	New indicator	1	1 report submitted on reciprocal commitments on tariff support	N/A	N/A
	Report on legal support provided on issues of relevance to trade and international law	Number of reports on legal support provided on issues of relevance to trade and international law	New indicator	New indicator	1	1 report prepared on legal support provided	N/A	N/A
	Action brief submitted to the executive authority on trade flows to identify challenges of illegal imports	Number of action briefs to the executive authority on trade flows to identify challenges of illegal imports	New indicator	New indicator	1	1 action brief prepared on the work of the inter-departmental working group to combat illegal imports	N/A	N/A

Programme/sub-programme: Trade Policy								
Outcome	Output	Output Indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviation
Capable State (effective delivery/ implementation)	Reports to executive authority setting out progress in engagements at SACU	Number of reports to executive authority setting out progress in engagements at SACU	New indicator	New indicator	1	1 report prepared on progress with engaging SACU partners on tariff matters	N/A	N/A
	Reports submitted to the executive authority on engagements with social partners at Nedlac and sector level on trade offers	Number of reports on engagements with social partners at Nedlac and sector level on trade offers	New indicator	New indicator	1	1 report prepared on engagements with Nedlac on tariff offers and negotiations	N/A	N/A

Programme/sub-programme: Trade Policy								
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviation
Capable state (effective delivery/ implementation)	Draft regulations on anti-dumping, safeguard measures and tariff investigations	Draft regulations on anti-dumping, safeguard measures and tariff investigations	New indicator	New indicator	3	1 draft anti-dumping regulations prepared, but not yet approved for publication Draft Amended Tariff Investigation Regulations prepared, but not yet approved for publication Draft Amended Safeguard Regulations prepared, but not yet approved for publication	Draft regulations not yet approved for publication	Draft regulations require further internal consultation
	Reports on red-tape reduction and streamlining processes	Number of reports on red-tape reduction and streamlining processes	New indicator	New indicator	2	2 reports prepared on red-tape reduction and streamlining of ITAC processes	N/A	N/A
	Reports setting out progress in review of the ITA act	Number of reports setting out progress in review of the ITA act	New indicator	New indicator	1	1 report prepared on progress in review of ITA Act	N/A	N/A

Programme/sub-programme: Trade Policy								
Outcome	Output	Output Indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviation
Transformation	Report evaluating the impact of trade policy on industrialisation and transformation	Number of reports evaluating the impact of trade policy on industrialisation and transformation	New indicator	New indicator	1	1 AfCFTA and WTO report to the Minister, including the evaluation of the impact of trade policy on industrialisation and transformation	N/A	N/A
	Report on contribution to trade policy in emerging areas like the green economy	Number of reports on contribution to trade policy strategy in emerging areas like the green economy	New indicator	New indicator	1	1 report prepared setting out the contribution to trade policy to the green economy	N/A	N/A
	Report considering the impact of trade policy decisions on firms located in different districts, SEZs, townships and industrial parks	Number of reports considering the impact of trade policy decisions on firms located in different districts, SEZs, townships and industrial parks	New indicator	New indicator	1	1 ITAC released quarterly report on the contribution of its trade policy decisions to the District Development Model and Spatial Equity	N/A	N/A

Programme/sub-programme: Trade Policy								
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviation
Industrialisation	Draft Bill on Patents and Draft Amendment Bill on Designs	Draft Bill on Patents and full Explanatory Memoranda submitted to executive authority and taken through economic cluster	New indicator	New indicator	1	1 Draft Patents Bill and full Explanatory Memo was submitted to and approved by the economic cluster Bill submitted to the executive authority, but has not yet been approved for publication	Bill not published	Pending approval by executive authority
		Draft Amendment Bill on Designs and full Explanatory Memoranda submitted to executive authority and taken through economic cluster	New indicator	New indicator	1	1 Draft Designs Amendment Bill and full Explanatory Memo submitted to and approved by the economic cluster Bill submitted to the executive authority, but has not yet been approved for publication	Bill not published	Pending approval by executive authority

4.2.3 Linking performance with budgets

As at 31 March 2023, the programme had spent 97.8% of its allocated budget in performing trade relations work.

4.2.4 Sub-programme expenditure

Sub-programme	2022/23			2021/22		
	Final appropriation	Actual expenditure	(Over)/under expenditure	Final appropriation	Actual expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
International Trade Development	213 012	208 864	4 148	204 858	203 866	992
African Multilateral Economic Development	14 633	13 796	837	13 928	13 926	2
Total	227 645	222 660	4 985	218 786	217 792	994

4.2.5 Strategy to overcome areas of underperformance

Draft regulations and Bills were not approved for public comment as work is still ongoing. These activities have been carried over to the APP for 2022/23.

4.2.6 Performance in relation to standardised outputs and output indicators for sectors with concurrent functions

N/A

4.3. Programme 3: Spatial Industrial Development

a. Purpose

Drive economic transformation and increase participation in industrialisation.

b. Description of sub-programmes

- i. **Enterprise Competitiveness** fosters and stimulates industrialisation and structural change through the development and deployment of technologies and skills for the department's economic programmes.
- ii. **Equity and Empowerment** promotes B-BBEE and the growth of the industrial base through the Black Industrialist Programme.
- iii. **Spatial Industrial Development** promotes industrial development in targeted regions through policies, strategies and programmes such as SEZs and industrial parks.

c. Institutional outcomes towards which the programme contributes

The B-BBEE Act affords multinational companies not able to sell equity in a local subsidiary, or where a measured entity cannot effect a direct equity interest by black South Africans, an opportunity to contribute towards transformation through the Equity Equivalent Investment Programme (EEIP); that is, allowing multinationals to promote and advance the critical areas of ESD and support for black industrialists. A key achievement of the EEIP during the 2022/23 financial year is the localisation value of R1.14 billion.

During the 2022/23 financial year, the department participated in the presidential task team to empower women to take advantage of the 40% public procurement pronouncement by the President. Workshops were held in various provinces to educate women-owned businesses on compliance with B-BBEE legislation.

The new B-BBEE Advisory Council was appointed on 30 May 2022. The inauguration and induction of the council took place in June 2022 and on 5 October 2022, respectively. The council held seven engagements with various stakeholders, including sector charter councils. The focus of these engagements was the establishment of a work agenda for the period of appointment.

Industrial parks and township economy

Twelve industrial parks covering seven provinces formed part of the IPRP footprint, accounting for an estimated 46 490 jobs, with an additional 2 453 construction-related jobs created during the revitalisation period. Since the programme's inception in 2015/16, total funding approved amounts to R870 million, including a R30-million contribution from the Employment Creation Fund (ECF). Funding has been approved at a limit of R50-million per application, and disbursed in tranches in line with the guidelines of the Critical Infrastructure Programme (CIP).

the dtic has collaborated with government departments on other initiatives that support the IPRP, such as the digital hubs located within the industrial parks. The aim is to improve connectivity and utilisation of factory spaces for investment by tenants. One of the first beneficiaries of this initiative was the Botshabelo Industrial Park in the Free State, where a digital hub was completed in 2021/22. This was done in partnership with Mangaung Metro, the Free State Development Agency (FDC), and Soft-Start, an incubator funded by the Small Enterprise Development Agency (SEDA). The Isithebe Industrial Park in KwaZulu-Natal received its first-phase funding for the revitalisation

of a building for a digital hub inside the park. Implementation of the hub is a collaboration of the Mandeni Municipality, Ithala, the Moses Kotane Institute, and the private sector.

Industrial parks played a significant role in contributing toward jobs and investment in the townships. A R6-billion investment was reported for the 2021/22 financial year. Investment values were determined by taking into account the present value of the respective companies' plant and machinery.

The majority of economic sectors in the parks focus on manufacturing (ranging from roof tiles to steel fabrication), followed by services (including automotive panel-beating and spray-painting, mechanical repairs, and vehicle maintenance) and agro-processing (food, beverages, dairy products and snacks), with some products destined for the export market.

4.3.1 Outcomes, outputs, output indicators, targets and actual achievements

At the start of 2023, 11 SEZs spread were across seven provinces. The SEZ Programme has attracted 187 operational investors, valued at R27 billion, and created 23 659 permanent jobs. Exports from the operational zones are estimated to be about R1.9 billion. These figures are expected to grow as the non-operational SEZs start to become operational, and as new SEZs are designated. In this financial year, the work of the SEZ Chief Directorate will focus on the following:

Finalisation of the Spatial Industrial Development Framework

The new Spatial Industrial Development Framework aims to create long-term partnerships that will increase endogenous private investment, stimulate growth in essential local industries, and provide support for the establishment and growth of SMMEs to enhance the overall welfare of the region. It focuses on identifying regions with the greatest potential for growth, removing impediments such as inadequate infrastructure, and identifying strategic opportunities for private-sector involvement. This approach aims to unlock the inherent and often underutilised economic potential of these regions. Although this framework has emerged from national government, its intended purpose is to strengthen local authorities and regions as sites of industrial development.

Designation of two SEZs

Namakwa SEZ: The Northern Cape Development Agency (NCEDA) submitted an application to **the dtic** for the designation of the Namakwa SEZ (NamSEZ). The location of the SEZ is in Aggeneys in the Khâi-Ma Local Municipality, which falls within the Namakwa District Municipality of the Northern Cape. The spatial location of the SEZ has a strategic nodal placement in terms of the Northern Cape Industrial Corridor. The zone comprises 1 308,06ha of land parcels.

The proposed NamSEZ seeks to develop its value proposition largely on mineral beneficiation, broad manufacturing industries (such as phosphate fertilizer manufacturers, detergent manufacturers and other chemical industries) and agro-processing. It is anticipated that the current investment pipeline of R49,1 billion will yield 12 750 jobs during the phases of development of the zone. The current investment pipeline boasts small to medium-sized investment companies with activities in green hydrogen and ammonia: fuelling, refurbishing and repairs; energy and petrochemical for local mobility; rare earths and battery-grade manganese sulphate; and mineral beneficiation.

Coega Pharmaceutical and Vaccine Hub: The Eastern Cape provincial government, through the MEC of the DEDEAT, is applying for the extension of the boundary of the Coega SEZ to include the

proposed pharmaceutical and vaccine manufacturing hub (Zone 15 of Coega SEZ). This is located near the ASPEN SA Operations manufacturing plant in Gqeberha (Port Elizabeth), Eastern Cape. Aspen SA Operations (Pty) Ltd has concluded a 10-year agreement with the Serum Institute of India Pvt Ltd, the world's largest vaccine producer, to manufacture, market and distribute four Aspen-branded routine vaccines in Africa.

Phase 1 of the SEZ development will include nine investors, ASPEN and eight suppliers. Aspen SA will manufacture the following routine vaccines:

- a. Pneumococcal
- b. Rotavirus
- c. Polyvalent Meningococcal
- d. Hexavalent

The proposed CPV SEZ is of strategic importance as it will contribute towards South Africa and Africa's epidemic/pandemic resilience and vaccine availability and distribution. The COVID-19 pandemic indicated that the country and continent do not have the essential infrastructure and knowledge to ensure the safety of its citizens with regard to vaccine production.

4.3.2 Report against the originally tabled Annual Performance Plan

Programme/sub-programme: Spatial Industrial Development									
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations	
Transformation	Draft framework documents on reforms to the SEZ and industrial park models	Draft framework documents on reforms to the SEZ and industrial park models	New indicator	New indicator	1	1 draft framework document on reforms to the SEZ and industrial park models	N/A	N/A	
	Document mapping the township economy and opportunities for support	Document mapping the township economy and opportunities for support	New indicator	New indicator	1	1 document mapping the township economy and opportunities for support	N/A	N/A	
	Report setting out progress with the development of the Spatial Industrial Development Framework	Report setting out progress with the development of the Spatial Industrial Development Framework	New indicator	New indicator	1	1 report setting out progress with the development of the Spatial Industrial Development Framework	N/A	N/A	
	A report on support provided to SEZs and industrial parks	Number of reports on support provided to SEZs and industrial parks	New indicator	New indicator	2	2 reports on support provided to SEZs and industrial parks	N/A	N/A	

Programme/sub-programme: Spatial Industrial Development								
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations
Transformation	Proposals for new SEZ designations, together with business plan, governance arrangements and budget implications, assessed and submitted for consideration	Number of proposals for new SEZ designations, together with business plan, governance arrangements and budget implications, assessed and submitted for consideration	New indicator	New indicator	2	2 proposals for new SEZ designations, together with business plan, governance arrangements and budget implications, assessed and submitted for consideration	N/A	N/A
	Annual reports on SEZs and industrial parks	Number of annual reports on SEZs and industrial parks	New indicator	New indicator	1	1 annual report on SEZs and industrial parks	N/A	N/A
	Submission on SEZ and industrial parks' funding prepared for National Treasury	Number of submissions on SEZ and industrial parks' funding prepared for National Treasury	New indicator	New indicator	1	1 submission on SEZ and industrial parks' funding prepared for National Treasury	N/A	N/A

Programme/sub-programme: Spatial Industrial Development								
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations
Transformation	Progress reports setting out progress on strengthening the governance and performance of SEZs and industrial parks, including their attraction of private investment	Number of progress reports setting out progress on strengthening the governance and performance of SEZs and industrial parks, including their attraction of private investment	New indicator	New indicator	2	2 progress reports setting out progress on strengthening the governance and performance of SEZs and industrial parks, including their attraction of private investment	N/A	N/A
	Reports classifying the work of the dtic at district level work across 52 districts/ metros	Number of reports classifying the work of the dtic at district level work across 52 districts/ metros	New indicator	New indicator	4	4 reports classifying the work of the dtic at district level work across 52 districts/ metros	N/A	N/A
	Reports identifying private-sector industrial nodes at district level	Number of reports identifying private-sector industrial nodes at district level	New indicator	New indicator	4	4 reports identifying private-sector industrial nodes at district level	N/A	N/A

Programme/sub-programme: Spatial Industrial Development								
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations
Transformation	Reviewed B-BBEE Framework	Review of the B-BBEE Framework, together with recommendations in the form of a report to the executive authority	New indicator	New indicator	1	1 reviewed B-BBEE Framework	N/A	N/A
	Report on the participation of B-BBEE beneficiaries in the economy, including workers, women, people with a disability, and youth	Annual report on the participation of B-BBEE beneficiaries in the economy, including workers, women, people with a disability, and youth	New indicator	New indicator	1	1 report on the participation of B-BBEE beneficiaries in the economy, including workers, women, people with a disability, and youth	N/A	N/A
	Reports setting out progress on monitoring and implementation of EEIPs, sector charters and BEE Codes	Number of reports setting out progress on monitoring and implementation of EEIPs, Sector Charters and BEE Codes	New indicator	New indicator	4	4 reports setting out progress on monitoring and implementation of EEIPs, sector charters and BEE Codes	N/A	N/A

Programme/sub-programme: Spatial Industrial Development								
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations
Industrialisation	A report on facilitating the participation of firms from different districts, SEZs and industrial parks in trade and investment promotion initiatives	A progress report on facilitating the participation of firms from different districts, SEZs and industrial parks in trade and investment promotion initiatives	New indicator	New indicator	1	1 report on facilitating the participation of firms from different districts, SEZs and industrial parks in trade and investment promotion initiatives	N/A	N/A
	A report identifying and facilitating localisation opportunities for districts, SEZs and industrial parks	A report identifying and facilitating localisation opportunities for districts, SEZs and industrial parks	New indicator	New indicator	1	1 report identifying and facilitating localisation opportunities for districts, SEZs and industrial parks	N/A	N/A
	A report on initiatives developed to support the green economy through SEZs and industrial parks	A report on initiatives developed to support the green economy through SEZs and industrial parks	New indicator	New indicator	1	1 report on initiatives developed to support the green economy through SEZs and industrial parks	N/A	N/A
	A report on red-tape reduction	Number of progress reports on red-tape reduction	New indicator	New indicator	2	2 reports on red-tape reduction	N/A	N/A

4.3.3 Linking performance with budgets

As at 31 March 2023, the programme had spent 95.6% of its budget. It comprised costs for human resources, goods and services, and transfer payments, which have ensured continued work to drive economic transformation and increase participation in industrialisation.

4.3.4 Sub-programme expenditure

Sub-programme	2022/23			2021/22		
	Final appropriation	Actual expenditure	Over/under expenditure	Final appropriation	Actual expenditure	Over/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Enterprise Competitiveness	29 669	28 368	1 301	33 121	31 296	1 825
Equity and Empowerment	53 026	51 105	1 921	78 854	48 627	30 227
Regional Industrial Development	70 928	67 455	3 473	47 033	42 480	4 553
TOTAL	153 623	146 928	6 695	159 008	122 403	36 605

4.3.5 Strategy to overcome areas of underperformance

There were no areas of underperformance during the 2022/23 financial year.

4.3.6 Performance in relation to standardised outputs and output indicators for sectors with concurrent functions

N/A

4.4. Programme 4: Sectors⁴

a. Purpose

To design and implement policies, strategies and programmes to strengthen the ability of manufacturing and other sectors of the economy, to create decent jobs and increase value addition and competitiveness in both domestic and export markets.

b. Description of sub-programmes

- i. **Industrial Competitiveness** develops policies, strategies and programmes to strengthen the ability of manufacturing and other value-adding sectors to create decent jobs, and increase value addition and competitiveness in domestic and export markets, as set out in the RIS.
- ii. **Customised Sector Programmes** develops and implements high-impact sector strategies focused on manufacturing and other value-adding sectors to create decent jobs, and increase value addition and competitiveness in domestic and export markets, as set out in the RIS.

c. Institutional outcomes towards which the programme contributes

- i. Increased industrialisation through the development of master plans in national priority sectors
- ii. Increased localisation through additional support measures and designation of products

4.4.1 Outcomes, outputs, output indicators, targets and actual achievements

The medium-term strategy set out a review of previous interventions, lessons learnt, and the path towards a better-coordinated industrial policy. The success of industrial policy is underpinned by a collaborative approach with industry, labour and other stakeholders, the prioritisation of sectors, the centrality of the policy to the growth strategy, and coordination at the Presidency. The modality to operationalise the RIS was through the application of a master-planning process that sought to create a shared vision between industry, government and labour.

The RIS envisaged that the adoption of master plans would harness the commitment of all role players, stakeholders and beneficiaries, and purposefully implement the actions required to fulfil the vision. The development and deployment of comprehensive industrial policy levers to support national priority sectors – such as the automotive, R-CTFL, poultry, sugar, furniture and steel sectors – have been highlighted as some of the key interventions.

To date, six master plans have been approved and implementation commenced. These plans find expression in the ERRP and focus on increasing local production; improving industrial dynamism and overall competitiveness in key sectors; job creation; and inclusion. The department will continue to drive implementation of the approved plans and other sector strategies to stabilise industries and protect jobs.

Furthermore, priority will be given to the development of new master plans in key sectors that can meaningfully contribute to industrial development, while placing greater emphasis on partnerships and collaboration.

A significant level of success has been achieved in the implementation of the master plans, however, we will highlight the achievements in the sugar, poultry and automotive master plans.

⁴ The formal name of this programme is Industrial Policy

a. Sugar

- In Q4 2022/23, the sugar industry spent R215 million (i.e. cumulative amount spent to date) of its commitment to invest R1 billion in the industry's transformation over five years.
- Of SIMP commitments, some R800 million has been spent from a dedicated R1-billion Transformation Initiatives Fund.
- In addition, Tongaat Hulett Ltd and Tongaat Hulett Development (Pty) Ltd entered into voluntary business rescue on 27 October 2022. On 10 March 2023, the Gledhow Sugar Company followed suit.

b. Poultry

- To date, poultry investments are R1.8 billion, exceeding the original commitment of R1.5 billion. An additional 3 888 jobs, and a capacity of 2.8-million birds per week were created.
- From 2019 to 2022, the poultry industry financed R466 million to cover cash flow for emerging black contract growers.
- Total poultry feed (layer, broiler and breeder) increased by 5%, from 6 715 435 tons in 2019 to 7 047 840 tons in 2022.

c. Automotives

- Launch of the D-max Isuzu light delivery van in Gqeberha, Eastern Cape
 - Result of a R1.2-billion investment announced in 2019
 - Focus on increasing localisation to 47% by 2025
 - Targeting regional export market
 - Support from **the dtic** through the APDP, including the AIS
 - Supporting more than 1 000 direct jobs
- Launch of **Heston Harness plant**, a subsidiary of Metair Investments in KwaDukuza, KwaZulu-Natal, on 13 September 2022

In partnership with Yazaki Corporation, Hesto Harness manufactures wiring harnesses and instrument clusters for supply to OEMs Toyota, Isuzu, Nissan and Ford. The launch follows an investment announcement at the 2020 Investment Conference of R1.4 billion to support the expansion and localisation of the new Ford Ranger. The company has secured multiple contracts to support the Ford Motor Company of Southern Africa ahead of the new Ford Ranger launch aimed at the local and export markets.

- Total Ford investment for Metair South-African-based subsidiaries equals R1.4 billion and the total Hesto Ford Investment equals R804 million.
 - This investment created employment for 4 000 people, 70% of which are women.
 - This new employment takes total subsidiary employment to 7 200 employees.
 - The creation of 4 000 new employment opportunities translates to a R30-million monthly

spend on salaries and wages being injected into the iLembe District. This excludes additional spending on cleaning, maintenance, catering, and other contractors/service providers.

- The first next-generation Ford Ranger was built at the Silverton Plant in Pretoria on 14 November 2022. This follows Ford Motor Company of South Africa's (FMCSA) capital investment of US\$1.05 billion (R15.8 billion). The plant has increased capacity, with 200 000 vehicles to be built annually and exported to more than 100 global markets.
- The investment made by the 10 suppliers within the Tshwane Automotive Special Economic Zone (TASEZ) currently sits at R3.62 billion, against an overall projected investment of R4.2 billion.
- The total number of permanent jobs created by these suppliers was 1 259 (76% youth and 32% women), against a projected target of 2 080 to be realised during the production ramp-up.

d. Job creation

- A total of 4 848 construction jobs (12% women and 53% youth) were achieved. During the construction of phase one, the total procurement spend on SMMEs, through construction packages, currently sits at 38% against a target of 45%, with 244 SMME packages awarded a value of R1.1 billion.
- Within the FMCSA's own facilities, 1 200 additional jobs were created, bringing its total workforce to 5 500. In addition, an estimated 10 000 new jobs were created across Ford's local supplier network.
- Ford's Engine Plant complements this in Gqeberha, where another investment of R600 million will help Ford produce a new 3.0-litre V6 engine and the necessary upgrades to the 2.0l single turbo and 2.0l bi-turbo diesel engines.

4.4.2 Report against the originally tabled Annual Performance Plan

Programme/sub-programme: Sectors								
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations
Industrialisation	Reports setting out progress against the actions identified in master plans and full implementation of financial support packages for the following sectors: 1. Automotives (5) 2. Poultry (5) 3. Sugar (5) 4. Furniture (5) 5. Steel and metal fabrication (5) 6. Clothing and textiles (5)	Number of implementation reports in six sectors, setting out progress against the actions identified in master plans and full implementation of financial support packages	New indicator	New indicator	30	30 quarterly implementation reports setting out progress against the actions identified in master plans, and full implementation of financial support packages, namely: 1. Automotives 2. Poultry 3. Sugar 4. Furniture 5. Steel and metal fabrication 6. Clothing, textile, footwear and leather	N/A	N/A
	Reports setting out progress against priority sectors not covered by a master plan: 1. Aerospace and defence 2. Agro-processing and resource 3. Electro-technical industries and white goods 4. Chemicals, cosmetics, plastics and pharmaceuticals 5. Capital and rail transport equipment 6. Construction	Number of implementation Reports setting out progress against priority sectors not covered by a master plan	New indicator	New indicator	30	39 quarterly implementation reports setting out progress against priority sectors not covered by a master plan, namely: 1. Aerospace and Defence 2. Agro Processing 3. Electro-technical 4. Chemicals 5. Cosmetics 6. Pharmaceuticals 7. Plastics 8. Construction	(9)	1) Capital and rail transport equipment report was reflected within steel and metal fabrication report 2) Chemicals, cosmetics, plastics and pharmaceuticals were reported separately because they are managed independently

Programme/sub-programme: Sectors								
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations
Industrialisation	Draft procurement Bill	Inputs on the Draft Procurement Bill submitted to the Minister	New indicator	New indicator	1	1 input into the draft Procurement Bill submitted to ensure a localisation eco-system is supported and embedded in the proposed provision	N/A	N/A
	A report on engagements with organs of state on an aligned Preferential Procurement Policy	Number of progress report on engagements with organs of state on an aligned Preferential Procurement Policy	New indicator	New indicator	2	Two bi-annual implementation reports submitted on engagements with organs of state on an aligned Preferential Procurement Policy	N/A	N/A
	Cabinet memorandum with localisation dashboard	Cabinet memorandum with localisation dashboard compiled	New indicator	New indicator	1	4 Cabinet memorandums with localisation dashboard submitted to Minister	3	The Cabinet memorandum with localisation dashboard was developed and submitted, but returned with a request for further consultation during the Q1 period
	A report setting out progress on monitoring and evaluation of the localisation impact of the dtic initiatives	Number of reports setting out progress on monitoring and evaluation of the localisation impact of the dtic initiatives	New indicator	New indicator	2	Two bi-annual implementation reports submitted, setting out progress on monitoring and evaluation of the localisation impact of the dtic initiatives	N/A	N/A

Programme/sub-programme: Sectors									
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations	
Industrialisation	Reports on key beneficiation opportunities within identified value chains and actions taken to promote these opportunities	Number of reports on key beneficiation opportunities within identified value chains and actions taken to promote these opportunities	New indicator	New indicator	4	4 quarterly reports on key beneficiation opportunities within identified value chains and actions taken to promote these opportunities	N/A	N/A	
	Reports setting out progress in ensuring industrial capability and security of supply in strategic medical products required particularly for COVID-19	Number of reports setting out progress in ensuring industrial capability and security of supply in strategic medical products required particularly for COVID-19	New indicator	New indicator	2	2 reports setting out progress in ensuring industrial capability and security of supply in strategic medical products required particularly for COVID-19	N/A	N/A	
	NEV roadmap developed/implemented	NEV roadmap published	New indicator	New indicator	1	Draft roadmap presented to ESIEID Cluster, and ongoing engagement with National Treasury on funding model	Publication of new roadmap	Outstanding commitments from certain departments and stakeholders, such as National Treasury	
	Green Hydrogen Commercialisation Strategy developed	Green Hydrogen Commercialisation Strategy published	New indicator	New indicator	1	1 Green Hydrogen Commercialisation Strategy published	N/A	N/A	
	Reports setting out progress in greening of industrial sectors	Number of reports setting out progress in greening of industrial sectors	New indicator	New indicator	2	2 reports setting out progress in greening of industrial sectors	N/A	N/A	

Programme/sub-programme: Sectors									
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations	
Transformation	Register of industrial projects and programme initiatives by district	A register of industrial projects and programme initiatives by district developed	New indicator	New indicator	1	1 register of industrial projects and programme initiatives by district	N/A	N/A	
	Report setting out progress to foster greater spatial equity through industrial initiatives	Number of report setting out progress to foster greater spatial equity through industrial initiatives	New indicator	New indicator	4	4 quarterly implementation reports, setting out progress to foster greater spatial equity through industrial initiatives	N/A	N/A	
Capable state	Reports on the following: 1. Building staff capability on industrialisation 2. Red-tape reduction 3. Efficiency of technical infrastructure institutions of sector desks 4. Capacity-building support to entities in supported sectors 5. Development of partnerships and social compacts with entities inside and outside of the dtic	Number of reports on building staff capability on industrialisation	New indicator	New indicator	1	1 annual report on building staff capability on industrialisation compiled	N/A	N/A	
		Number of reports on red-tape reduction	New indicator	New indicator	2	2 reports on red-tape reduction submitted by 30 April 2022 and 30 November 2022	N/A	N/A	
		Number of reports improved efficiency of technical infrastructure institutions, of sector desks	New indicator	New indicator	4	4 reports on improved efficiency of technical infrastructure institutions of sector desks	N/A	N/A	
		Number of reports on providing capacity-building support to entities in supported sectors	New indicator	New indicator	1	1 annual report on providing capacity-building support to entities in supported sectors	N/A	N/A	

Programme/sub-programme: Sectors								
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations
Capable state		Number of reports on the development of partnerships and social compacts with entities inside and outside of the dtic	New indicator	New Indicator	2	Two bi-annual reports on the development of partnerships and social compacts with entities inside and outside of the dtic	N/A	N/A

4.4.3 Linking performance with budgets

As at 31 March 2023, spending on this programme stood at R1.73 billion or 99.8% of the allocated budget, which has supported the work on the master plans, among others. As reported, to date, six master plans have been approved and implementation has commenced.

Furthermore, about R738 million was made available to the technical infrastructure institutions to deliver and assist with the industrialisation mandate. These institutions are key in assisting local industries to enhance their competitiveness capabilities to maintain or increase market share.

4.4.4 Sub-programme expenditure

Sub-programme	2022/23			2021/22		
	Final appropriation	Actual expenditure	(Over)/under expenditure	Final appropriation	Actual expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Industrial Competitiveness	935 689	932 227	3 462	949 317	949 029	288
Customised Sector Programmes	798 437	798 286	151	689 070	689 047	23
TOTAL	1 734 126	1 730 512	3 614	1 638 387	1 638 076	311

4.4.5 Strategy to overcome areas of underperformance

Publishing of NEV roadmap: Indicator has been included in the 2023/24 APP and interventions will be expedited.

4.4.6 Performance in relation to standardised outputs and output indicators for sectors with concurrent functions

N/A

4.5. Programme 5: Consumer and Corporate Regulation

a. Purpose

Develop and implement coherent, predictable and transparent regulatory solutions that facilitate easy access to redress and efficient regulation for economic citizens.

b. Description of sub-programmes

- i. **Policy and Legislative Development** develops policies, laws and regulatory frameworks; and drafts legislation.
- ii. **Enforcement and Compliance** conducts trends analyses, and socioeconomic impact assessments for policies and legislation and market surveys; implements legislation on matters pertaining to liquor; monitors and evaluates the effectiveness of regulation; and oversees the performance of the department's regulatory entities (CIPC, Companies Tribunal, NCC, National Consumer Tribunal, NCR, NGB, and NLC).
- iii. **Regulatory Services** oversees the development of policies, laws and regulatory frameworks, and the implementation of the programme's mandate; and provides strategic support to business units, in line with legislation and applicable governance systems.

c. Institutional outcomes towards which the programme contributes

Companies Amendment Bill: The Bill is aimed at easing the regulatory burden on the disclosures, financial reporting, and compliance of companies. This is done by way of a review of the Companies Act, 2008, to ensure that all problematic areas of governance and administration identified during the implementation of the Act are rectified.

4.5.1 Outcomes, outputs, output indicators, targets and actual achievements

National Credit Amendment Bill

Work on the Bill entailed a consolidation of previous stakeholder submissions with the aim of identifying areas for legislative reform. The purpose was to initiate the stakeholder process and elicit policy innovations around debt relief to inform amendments where warranted, and determine the relevance of proposals already in the receipt of **the dtic**.

Companies Amendment Bill

The Bill was publicised for comment, and a report based on these comments from stakeholders was sent to the minister. National Treasury coordinated the amendments to the General Laws Amendment Act (GLAA), which also amended the Companies Act, and some of the provisions in the Bill were part of the Act. The Act was assented to on 29 December 2022. **the dtic** is finalising the regulations to implement the GLAA.

National Gambling Amendment Bill

The National Gambling Amendment Bill was set for mediation by the mediation committee of Parliament. This process is pending. The Amendment Bill will enhance regulation by changing the National Gambling Board (NGB) to a National Gambling Regulator (NGR), empowering the NGR inspectorate to enforce and combat rampant illegal gambling without the assistance of the provincial inspectors; and enabling and extending the National Central Electronic Monitoring System to all

modes of gambling to monitor the payment of gambling levies and taxes by operators to the provincial fiscus.

The programme contributed to the outcome of capable state. It developed two reports on red-tape reduction, which identified fragmented and uncoordinated consumer complaints handling processes that resulted in confusion among consumers as to their point of entry, as well as lengthy turnaround times for consumer redress, or the lack thereof. The preliminary report was produced in quarter one, and the final report in quarter four.

4.5.2 Report against the originally tabled Annual Performance Plan

Programme / Sub-programme:									
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	** Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations	
Transformation	Reports setting out the work completed on the Companies the Companies Amendment Bill	Number of approved reports setting out the work completed on the Companies Amendment Bill towards corporate governance and worker protection	New indicator	1	2	2 approved reports setting out the work completed on the Companies Amendment Bill	N/A	N/A	
	Reports on the development of the Companies Amendment Bill	Number of progress reports on the development of the Companies Amendment Bill	New indicator	2	2	2 progress reports on the development of the Companies Amendment Bill	N/A	N/A	
	Reports setting out the work completed on the National Credit Amendment Bill	Number of approved reports setting out the work completed on the National Credit Amendment Bill	New indicator	New indicator	2	2 approved reports setting out the work completed on the National Credit Amendment Bill	N/A	N/A	
Capable state (effective delivery/ implementation)	Reports setting out progress on the development of proposed measures against alcohol abuse	Number of approved reports setting out progress on the development of proposed measures against alcohol abuse	New indicator	New indicator	2	2 approved reports setting out progress on the development of proposed measures against alcohol abuse	N/A	N/A	

Programme / Sub-programme:								
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	** Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations
Capable state (effective delivery/ implementation)	Reports setting out the work completed on the National Gambling Amendment Bill	Number of approved reports setting out the work completed on the National Gambling Amendment Bill	New indicator	New indicator	2	2 approved reports setting out the work completed on the National Gambling Amendment Bill	N/A	N/A
	Reports on the following: 1. Proposal on legislation to be migrated 2. Red-tape reduction 3. Key legislation under review and preliminary proposals 4. Steps taken on ease of compliance	Report setting out the proposal on legislation to be migrated	New indicator	New indicator	1	1 report setting out proposals on legislation to be migrated	N/A	N/A
		Number of reports on red-tape reduction	New indicator	New indicator	2	2 reports on red-tape reduction	N/A	N/A
		Number of reports on key legislation under review and preliminary proposals	New indicator	New indicator	1	1 report on key legislation under review and preliminary proposals	N/A	N/A
		Number of approved reports setting out steps taken on ease of compliance	New indicator	New indicator	1	1 approved report setting out steps taken on ease of compliance	N/A	N/A

Programme / Sub-programme:								
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	** Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations
Capable state (effective delivery/ implementation)	Report setting out steps taken and the results thereof, on evaluating and improving the impact of the dtic regulations on localisation, jobs, exports and investment	Number of approved reports setting out steps taken and the results thereof, on evaluating and improving the impact of the dtic regulations on localisation, jobs, exports and investment	New indicator	New indicator	1	1 approved report setting out steps taken on evaluating and improving the impact of the dtic regulations on localisation, jobs, exports and investment	N/A	N/A

4.5.3 Linking performance with budgets

As at 31 March 2023, the programme spent 99.9% of the allocated budget. Of the 99.9% spent, 78% was disbursed to the regulatory entities, while the remaining 22% comprised costs towards personnel, goods and services, and membership contributions to the World Intellectual Property Organisation and International Financial Reporting Standards Foundation.

4.5.4 Sub-programme expenditure

Sub-programme	2022/2023			2021/2022		
	Final appropriation	Actual expenditure	(Over)/under expenditure	Final appropriation	Actual expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Policy and Legislative Development	18 733	18 728	5	19 541	19 482	59
Enforcement and Compliance	33 342	33 076	266	36 488	36 298	190
Regulatory Services	279 926	279 708	218	268 600	267 608	992
TOTAL	332 001	331 511	490	324 629	323 388	1 241

4.5.5 Strategy to overcome areas of underperformance

N/A

4.5.6 Performance in relation to standardised outputs and output indicators for sectors with concurrent functions

N/A

4.6. Programme 6: Industrial Financing

a. Purpose

Stimulate and facilitate the development of sustainable and competitive enterprises, through the efficient provision of effective and accessible incentive measures that support national priorities.

b. Description of sub-programmes

- i. **Broadening Participation and Industrial Innovation Incentives** provides incentive programmes that promote broader participation in the mainstream economy of businesses owned by individuals from historically disadvantaged communities and marginalised regions.
- ii. **Manufacturing Incentives** provides incentives to promote additional investment in the manufacturing sector. The manufacturing investment cluster comprises the MCEP, CPFP, AIS, EMIA scheme, the Sector Specific Assistance Scheme (SSAS), and the Section 12I tax incentive scheme.
- iii. **Services Investment Incentives** provides incentive programmes that promote increased investment and job creation in the services sector. Programmes include the Global Business Process Services programme, and the Film and Television Production Incentive Support Programme for South African and Foreign Productions.
- iv. **Infrastructure Investment Support** provides grants for two industrial infrastructure initiatives, namely SEZs and the CIP, which aim to enhance infrastructure and industrial development, and increase investment and the export of value-added commodities.
- v. **Product and Systems Development** reviews, monitors and develops incentive programmes to support the industrial strategy, and develops sector strategies to address market failures.
- vi. **Strategic Partnership and Customer Care** facilitates access to targeted enterprises by reviewing the success of incentive schemes and improving them where possible.

c. Institutional outcomes towards which the programme contributes

The programme contributes to the outcomes of industrialisation, transformation and a capable state. In measuring the programme's contribution towards the outcome of industrialisation, indicators such as projected investment, local procurement and employment are monitored. Progress towards the outcome of transformation is measured by support to projects across the districts, black industrialists, and women- and youth-owned projects. The outcome of capable state is measured through a reduction in the red tape that hinders the administration of incentives.

4.6.1 Outcomes, outputs, output indicators, targets and actual achievements

Below are the actual achievements for the programme, which must be read together with the table under paragraph 5.6.2.

In the 2022/23 financial year, the programme supported 425 enterprises through the disbursement of R5.2 billion. The funding assisted companies to invest in new machinery and equipment, and the refurbishment of factory buildings, and to acquire business development support inclusive of software and certification to improve the efficiency of business operations.

The improved efficiency of global business outsourcers is evident in the exports of services. Supported projects reported a revenue of R7.9 billion from the export of services to the EU, UK, US, Australia and New Zealand. Export of services included higher-value services such as risk management, data

analytics, recruitment, compliance processing, finance and accounting, legal services, and cloud-based technical support.

The programme continued to attract new strategic projects that will unlock investment of about R42 billion over the next three to five years. With a simple investment multiplier of six, these projects will invest into the economy R6 for every R1 funded by **the dtic**. Approximately 72% of this investment will emanate from projects in the automotive sector, and 10% from building infrastructure deemed critical for the optimal functioning of the businesses, including water pipes, electricity cables and telecommunication infrastructure.

In addition to unlocking investment by the private sector, the programme encouraged job creation, particularly for black and youth employees, through two social compacts in the largely rural districts of the Collins Chabane and Mahikeng local municipalities, thus achieving transformation through industrialisation.

In 2022/23, the Collins Chabane Local Municipality received a disbursement for the construction of the Nkuna Kraal shopping centre and taxi rank in the economically distressed Nkuzana Village. The project contributed to economic activity in the area through the employment of 13 local sub-contractors for R1 575 680.02; supported poor households through the employment of local labour, with a total income of R470 947.66; and employed students for R67 944. Through the provision of sponsorships, the mall empowers local SMMEs to exhibit their products on site. Products include clothing, agro-processing (such as mango and marula), homemade pickles and sauces, and a variety of arts and crafts. These exhibitions enable SMMEs to become more knowledgeable on market demand and consumer preference, allowing them to improve on their products in preparation for participation in national and international export promotion events. In addition, the Strategic Partnerships and Customer Care unit held export awareness and exhibition sessions with potential clients from 6 to 9 April 2022.

The Mahikeng Local Municipality received a disbursement for the construction of the Morena Mall and Taxi Rank as the bulk infrastructure was old and insufficient. The project contributed to economic activity in the area through the employment of 12 local sub-contractors for R16 317 212.60; supported poor households through the employment of local labour, with a total income of R4 239 620.06; and employed students for R23 905.84. The new mall is used by local SMMEs to promote their products and services. Through their interactions with customers, the SMMEs are able to improve the look and feel of their products with the aim of accessing national and international export promotion programmes. Products exhibited include clothing, cosmetics, homemade sauces, and arts and crafts. The Strategic Partnerships and Customer Care unit held an export awareness workshop on 25 August 2022 to empower SMMEs to promote their products internationally.

To increase the general uptake and access to incentives across districts, reviews of the Agro-Processing Support Scheme (APSS) and Medium and Heavy Commercial Vehicles AIS guidelines were conducted. These resulted in amendments to increase the uptake of incentives, and contribute to improved economic conditions through investment that promotes localisation and transformation.

Other measures of industrialisation included two indicators on localisation: Local procurement reported by supported firms; and the number of film and TV productions and documentaries that tell a South African story. In terms of local procurement reported by supported firms, manufacturing companies approved from April to March 2023 plan to procure, over the next three to five years, R190 billion from South African businesses that produce or supply locally manufactured machinery/equipment/

inputs/raw materials. During the same period, manufacturing projects that received disbursements reported procurement of R39,6 billion from local businesses. From April to March 2023, enterprises approved under Film and TV plan to spend R3,6 billion on services from South African businesses while filming in the country. Those productions that received a final disbursement for the same period spent R447 million in the local economy, and assisted in the recovery of a distressed post-COVID-19 local service industry.

In 2022/23, five green projects were approved in support of green industrialisation, and included funding for the construction of a solar power plant, the expansion of a waste recycling facility in the Philippi township in Cape Town, and the manufacture of monocrystalline solar panels by a black industrialist women-owned enterprise. Other projects approved included the manufacture of tents from recycled plastic materials by a black industrialist youth-owned enterprise; and a research project to develop low graphene coated nano-fibrous membranes for water purification for drinking.

During the 2022/23 financial year, the programme was mandated to report on progress on the development of the Animation Master Plan and the GBS Master Plan. Reports for the former included stakeholder engagement, highlighting international incentives in particular for animation productions and conducting a feasibility study on developing a Animation Master Plan. These reports have resulted in a project that is currently being conducted to develop the master plan.

Projects under the GBS incentive reported 29 000 jobs supported, with 82% filled by youth and 63% by women. Higher-value services offer opportunities to youth to improve their skills in financial data processing, programming, and database management. Softer skills included communication, time management and organisation, and the ability to work as part of a team, which are relevant for the success of any job.

Approved and disbursed projects are located in 33 of the 52 districts, and 25 largely rural district municipalities. Projects in the largely rural districts were approved for R951 million, which would result in investment of R2.1 billion and the creation of 1 206 new jobs.

The programme made great strides in contributing towards transformation with the support of 172 black industrialist, women- and youth-owned companies for R1.1 billion, exceeding the target of 100 applications approved for R500 million.

In terms of the indicator on the number of film and TV productions and documentaries that tell a South African story, the target of 10 was overachieved with the support of 35 South African productions. This included funding for 13 South African emerging black film projects that will assist in the development of black filmmakers.

The Online Incentive Solution (OiS) for EMIA went live on 1 September 2022. The system aims to improve client responsiveness, transparency, and ease of submitting applications. Since the rollout of the OiS platform, clients have been able to receive real-time automated responses on the status of their applications as they move through the key stages of evaluation until approval or rejection. The platform is configured to withstand any future work disruptions, such as the SARS Cov-2 virus lockdown periods, and ensures that every application is tracked and processed, and that applicants have real-time visibility of the status of their applications.

Other areas that address the reduction of red tape include a clothing and textile workshop in QwaQwa, which provided a platform for collaboration among national and provincial departments and developmental financial institutions to better support businesses. A number of recommendations

were made during the workshop, including the alignment of processes by **the dtic** and its financing entities to enable smooth access to information, completion of documents and disbursements of funds. It is envisaged that the recommendations will allow for streamlined, coordinated and better support for the clothing and textile enterprises in QwaQwa.

4.6.2 Report against the originally tabled Annual Performance Plan

Programme/sub-programme: Industrial Financing									
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations	
Industrialisation	Value of support packages disbursed and projected investments	Value (Rand) of support packages disbursed	New indicator	New indicator	R5bn	R5.2bn	N/A	N/A	
		Value (Rand) of projected investments from private sector to be leveraged from projects/enterprises approved	R17.9bn	R23bn	R24bn	R42.286bn	R18.286bn	Approved AIS, CIP, GBS, and Film and TV projects resulted in high value of projected investments	
	Social compact documents on commitments by firms on local industrial outputs, export promotion, employment and transformation	Number of social compact documents on commitments by firms on local industrial outputs, export promotion, employment and transformation	New indicator	New indicator	2	2 social compact documents on commitments by firms on local industrial outputs, export promotion, employment and transformation	N/A	N/A	
	Report on support packages for master plans, including through partnerships with the IDC and NEF to grow and improve the competitiveness of priority sectors	Number of approved reports setting out progress with support packages developed/amended for the new master plans in collaboration with DFIs	New indicator	New indicator	2	2 approved reports setting out progress with support packages developed/amended for the new master plans in collaboration with DFIs	N/A	N/A	

Programme/sub-programme: Industrial Financing									
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	** Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations	
Industrialisation	Reports on value of projected local procured goods and services across all approved support packages and disbursement, including evaluation of localisation	Number of reports on value of projected local procured goods and services across all approved support packages and disbursement, including evaluation of localisation	New indicator	New indicator	2	2 1 report on projected locally procured goods and services 1 report on the evaluation of localisation	N/A	N/A	
	Total approved enterprises/ projects supporting green-economy initiatives	Number of total approved enterprises/ projects supporting green-economy initiatives	New indicator	New indicator	5	5 total approved enterprises/projects supporting green-economy initiatives	N/A	N/A	
	Implementation reports setting out progress against the actions identified in two master plans: 1. Film Animation; and 2. Global Business Services	Number of approved implementation reports setting out progress against the actions identified in two master plans: 1. Film Animation; and 2. Global Business Services	New indicator	New indicator	10	10 approved implementation reports setting out progress against the actions identified in the master plans (GBS and Animation)	N/A	N/A	

Programme/sub-programme: Industrial Financing									
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations	
Transformation	Reports on support provided to 30 districts/metros	Number of reports setting out progress on support provided to 30 districts/metros	New indicator	New indicator	2	2 report setting out progress on support provided to 30 districts/metros	N/A	N/A	
	Reports setting out progress in achieving R500m per annum of industrial financing support towards black industrialists, and women- and youth-owned enterprises, through the processing of at least 100 applications	Number of reports setting out progress in achieving R500m per annum of industrial financing support towards black industrialists, and women- and youth-owned enterprises, through the processing of at least 100 applications	New indicator	New indicator	2	2 report setting out progress in achieving R500m per annum of industrial financing support towards black industrialists, and women- and youth-owned enterprises, through the processing of at least 100 applications	N/A	N/A	
Capable state (effective delivery/implementation)	Local productions of films and documentaries telling South African stories received, adjudicated and approved	Number of local productions of films and documentaries telling South African stories received, adjudicated and approved	New indicator	New indicator	10	35 local productions of films and documentaries telling South African stories approved	25	N/A	
	Reports on strengthening the coordination and accessibility of industrial finance support	Number of reports on red-tape reduction, including action minutes setting out progress on developing shared services model for the IDC, NEF/the dtic, and leveraging support packages with assistance provided by provincial and local government	New indicator	New indicator	5	5 reports on red-tape reduction	N/A	N/A	

4.6.3 Linking performance with budgets

As at 31 March 2023, the programme spent R5.36 billion or 99.6% of the allocated budget. Of the R5.36 billion spent, R5.2 billion was disbursed to beneficiaries across the various incentive programmes, achieving and, in some instances, exceeding the set performance targets – one such achievement is the approval of 35 local productions of films and documentaries that tell South African stories, against a target of 10.

4.6.4 Sub-programme expenditure

Sub-programme	2022/23			2021/22		
	Final appropriation	Actual expenditure	(Over)/under expenditure	Final appropriation	Actual expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Broadening Participation Incentives	29 695	29 693	2	27 446	22 139	5 307
Manufacturing Incentives	3 693 410	3 678 384	15 026	3 673 664	3 661 980	11 684
Services Investment Incentives	998 787	997 242	1 545	871 419	871 180	239
Infrastructure Investment Support	662 704	630 948	31 756	1 895 967	1 884 168	11 799
Product and Systems Development	11 512	11 510	2	11 755	11 753	2
Strategic Partnership and Customer Care	15 331	15 310	21	14 728	14 725	3
TOTAL	5 411 439	5 363 087	48 352	6 494 979	6 465 945	29 034

4.6.5 Strategy to overcome areas of underperformance

N/A

4.6.6 Performance in relation to standardised outputs and output indicators for sectors with concurrent functions

N/A

4.7. Programme 7: Exports⁵

a. Purpose

Increase export capacity and support direct investment flows, through targeted strategies, and an effectively managed network of foreign trade and investment offices.

b. Description of sub-programmes

- i. **Trade Invest Africa** facilitates deeper and broader bilateral African trade and investment relations with African economies, and supports the deepening of regional integration through an outward investment-led trade approach.
- ii. **Export Promotion and Marketing** promotes exports of South African value-added goods and services to increase market share in targeted high-growth markets, and sustain market share in traditional markets.
- iii. **Trade and Investment Foreign Services Management Unit** promotes trade and investment, and administers and provides corporate services to the department's foreign office network of foreign economic representatives (FERs) to enable South African businesses to access global markets.
- iv. **Export Development and Support** manages the National Exporter Development Programme (NEDP), which is designed to contribute to positioning South Africa as a reliable trade partner, and to improve and expand the country's exporter base.

c. Institutional outcomes towards which the programme contributes

Outcome 1: Industrialisation

The goal is to build dynamic firms in the South African economy. It does this through efforts with the private sector – focusing on growth opportunities in the domestic market (through localisation, sector partnerships, beneficiation, promoting the green economy and fostering higher levels of investment) and building a wider export market (particularly in Africa) to assist with scale – and combining demand-creation with supply side reforms at economy, sector and firm level, to build industrial competitiveness and support job creation.

Outcome 2: Transformation

The goal is to build economic inclusion through transformation programmes in three broad areas: First, addressing structural challenges to growth through active competition policies, particularly where concentration levels in the market limit new entrants, and small and medium businesses; second, policies that promote spatial transformation, enabling more balanced growth between rural and urban and between provinces; and, third, strengthening inclusivity/transformation in the quality of growth, including broadening ownership and inclusive corporate governance models.

Outcome 3: Capable state (implementation/effective delivery)

The goal is to build greater capacity to ensure that national objectives are achieved through a new culture of partnership in the economy, characterised by greater responsiveness and nimbleness by the department and its 17 entities. This includes promoting smart regulation (through cutting red tape, ensuring fit-for-purpose and effective regulation, and reviewing internal processes and legislation/regulations) and working closely with other parts of the state to forge a social compact with business and labour.

⁵ The formal name of this programme is Trade and Investment South Africa

4.7.1 Outcomes, outputs, output indicators, targets and actual achievements

Exports provide a significant opportunity for South Africa to expand industrial output and provide bigger markets for local firms. It is an essential element of the country's industrialisation agenda. The focus of the programme in 2022/23 was on improving the total value of exports, the composition of exports (with greater South African value-addition), the composition of exporters (by drawing in more black and women-led firms) and the spatial composition of exporting firms.

The programme supported firms to reach strategic export markets, through a more concentrated focus on those markets. The priority has been to unlock the opportunities on the African market so that our export efforts complement the trade policy work on the AfCFTA.

At the same time, the bilateral trade activities included targeted work to obtain opportunities in markets in the US, Asia, Europe, the Middle East and Latin America. In support of these objectives, **the dtic** funded through the EMIA scheme the participation of South African exporters in missions and exhibitions to profile their products in international markets and link them with international buyers. **the dtic** funded 320 South African companies to participate in 22 events that took place during the 2022/23 financial year.

During the 2022/23 financial year, **the dtic** facilitated a mentorship programme in partnership with German development agency Gesellschaft für Internationale Zusammenarbeit (GIZ), and afforded 137 South African the opportunity to participate in an incubation programme, which included travel to Germany.

4.7.2 Report against the originally tabled Annual Performance Plan

Programme/sub-programme: Exports								
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations
Industrialisation	Report on targeted marketing efforts to African markets	Number of progress reports on targeted marketing efforts to African markets	New indicator	New indicator	4	4 progress reports on targeted marketing efforts to African markets were developed and submitted	N/A	N/A
	Impact reports on successes with increased exports and data on exports to selected African markets	Impact reports on successes with increased exports and data on exports to selected African markets	New indicator	New indicator	1	1 impact report on successes with increased exports and data on exports to selected African markets was developed and submitted	N/A	N/A
	A framework (document) on work of foreign economic representatives	A framework (document) on work of foreign economic representatives developed	New indicator	New indicator	1	1 report on a framework (document) on work of foreign economic representatives was developed and submitted	N/A	N/A

Programme/sub-programme: Exports									
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations	
Industrialisation	Reports on the following: 1. Work of the export networks 2. Hosting business forums in support of state visits 3. Export partnerships with 10 firms and five sectors 4. Export council compacts	Number of Impact reports on the work of the export networks	New indicator	New indicator	1	1 impact report on the work of the export networks was developed and submitted	N/A	N/A	
		Number of reports on hosting business forums in support of state visits	New indicator	New indicator	4	4 progress reports on hosting business forums in support of state visits were developed and submitted	N/A	N/A	
		Number of impact reports on export partnerships	New indicator	New indicator	1	1 impact report on export partnerships was developed and submitted	N/A	N/A	
		Number of progress reports on export council compacts	New indicator	New indicator	4	4 progress reports on export council compacts were developed and submitted	N/A	N/A	
		Number of export action plans developed and approved for priority sectors and markets	New indicator	New indicator	4	4 progress reports on export action plans developed and approved for priority sectors and markets	N/A	N/A	
	Export action plans developed and approved for priority sectors and markets								

Programme/sub-programme: Exports									
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations	
Transformation	Reports setting out progress with export promotion and capacity development support to 200 black-, women- and youth-owned enterprises	Number of reports setting out progress with export promotion and capacity development support to 200 black-, women- and youth-owned enterprises	New indicator	New indicator	4	4 progress reports on export promotion and capacity development support to 200 black-, women- and youth-owned enterprises were developed and submitted	N/A	N/A	
	Report on progress on development of a cooperation agreement with the ECIC, IDC and NEF to provide structured support to emerging exporters	A report on progress on development of a cooperation agreement with the ECIC, IDC and NEF to provide structured support to emerging exporters	New indicator	New indicator	1	1 progress report on development of a cooperation agreement with the ECIC, IDC and NEF to provide structured support to emerging exporters was developed.	N/A	N/A	
	Reports setting out progress in undertaking targeted export promotion and capacity-building activities in under-supported districts	Number of reports setting out progress in undertaking targeted export promotion and capacity-building activities in under-supported districts	New indicator	New indicator	4	4 progress reports on undertaking targeted export promotion and capacity-building activities in under-supported districts were developed and submitted	N/A	N/A	

Programme/sub-programme: Exports									
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations	
Capable state (effective delivery/ implementation)	Reports on the following: 1. Red-tape reduction 2. Progress on reducing red tape in the processes of the ECIC and EMIA programme	Number of impact reports on red-tape reduction	New indicator	New indicator	1	1 impact report on red-tape reduction was developed and submitted	N/A	N/A	
		Number of reports setting out progress on reducing red tape in the processes of the ECIC and EMIA programme	New indicator	New indicator	2	2 progress reports on reducing red tape in the processes of the ECIC and EMIA programme were developed	N/A	N/A	

4.7.3 Linking performance with budgets

In the 2022/23 financial year, the programme spent R398 million or 99% of the budget. This was used to drive export capacity and support direct investment flows. This is evident, for example, in 591 individuals benefitting from export training and capacity-building initiatives, and a mentorship programme.

4.7.4 Sub-programme expenditure

Sub-programme	2022/23			2021/22		
	Final appropriation	Actual expenditure	(Over)/under expenditure	Final appropriation	Actual expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Trade Invest Africa	19 337	19 294	43	19 123	19 120	3
Export Promotion and Marketing	44 191	43 915	276	40 554	40 139	415
Trade and Investment Foreign Services Management Unit	322 631	322 554	77	341 599	327 603	13 996
Export Development and Support	12 073	12 067	6	13 879	12 153	1 726
TOTAL	398 232	397 829	403	415 155	399 015	16 140

4.7.5 Strategy to overcome areas of underperformance

The branch met all the outcome targets for the 2022/23 financial year.

4.7.6 Performance in relation to standardised outputs and output indicators for sectors with concurrent functions

N/A

4.8. Programme 8: Investment⁶

a. Purpose

Support foreign direct investment flows and promote domestic investment by providing a one-stop shop for investment promotion, investor facilitation, and aftercare support for investors.

b. Description of sub-programmes

- i. **Investment Promotion** facilitates an increase in the quality and quantity of FDI, and domestic and outward investment by providing investment attraction, targeted lead generation and recruitment support.
- ii. **Investment and Interdepartmental Clearing House** promotes and facilitates investment and provides support services. This sub-programme also provides a specialist advisory service, fast-tracks and unblocks processes, and reduces bureaucratic red tape for investors.
- iii. **Investor Support and Aftercare** provides specialist advisory services through research, information marketing, aftercare and policy advocacy to facilitate new investment, and retain and expand existing investment.

c. Institutional outcomes towards which the programme contributes

- i. Increased strategic investment
- ii. Strengthens capacity and coordination in the state through:
 - Support and work with the Presidency Investment and Infrastructure Office
 - Work undertaken with provinces and local government on investment promotion

4.8.1 Outcomes, outputs, output indicators, targets and actual achievements

During the reporting period, the programme exceeded the annual investment target of R120 billion by R9.860 billion. It collaborated with the other national government departments and agencies and the Presidency to host the fifth annual South Africa Investment Conference (SAIC) on 13 April 2023. This conference marked the culmination of President Cyril Ramaphosa's investment mobilisation drive to attract R1.2 trillion in the period 2018 to 2023. At the fifth SAIC, the R1.2 trillion target was not only achieved, but exceeded by 26%, with a final tally of R1.5 trillion

A total of 317 projects are now being tracked. Of the 231 investment announcements previously made, 86 projects have been completed, while a further 75 are under construction. These investments have resulted in new factories, call centres, solar power plants, undersea fibre optic cables, production line expansions, and the adoption of new technologies. The investment conference served as the catalyst for continuous engagement between government and business to significantly grow the South African economy.

As part of its facilitation and retention focus area, the programme successfully assisted various investors with the unblocking of 30 regulatory and administrative issues.

The Ease of Doing Business (EoDB) programme successfully implemented reforms pertaining to registering a property, paying taxes, starting a business, and construction permits, to create an enabling business environment. The programme has improved, streamlined and simplified government processes in these areas. It has delivered an online company registration platform known as Bizportal, an online construction permit platform for the City of Johannesburg, and an online e-rates clearance platform.

⁶ The formal name of this programme is Invest South Africa

4.8.2 Report against the originally tabled Annual Performance Plan

Programme/sub-programme: Invest SA								
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations
Industrialisation	Investment pledges of R120bn	Value (Rand) of investment project pledges facilitated or coordinated	New indicator	New indicator	R120bn	R129.860bn	R9.860bn	Increased investment mobilisation and approval of projects by companies
	Reports on value (Rand) of pledged investment implemented by companies through construction, procurement of equipment or similar activities	Number of reports on value (Rand) of pledged investment implemented by companies through construction, procurement of equipment or similar activities	New indicator	New indicator	4	4 reports on value (Rand) of pledged investment implemented by companies through construction	N/A	N/A
	Unblockings and fast-tracking of investor issues	Number of unblockings and fast-tracking of investor issues to provide post-commitment support to investors	New indicator	New indicator	40	260 unblockings and fast-tracking of investor issues to provide post-commitment support to investors	220	Additional requests for assistance were received from various companies

Programme/sub-programme: Invest SA									
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations	
Industrialisation	Reports on the following: 1. Red-tape reduction 2. Progress on the BizPortal enhancements and improved company registration process 3. Progress on the selected regulatory reforms identified 4. Progress on support to the Presidency Red-Tape Reduction Office	Number of reports on red-tape reduction	New indicator	New indicator	2	2 reports on red-tape reduction	N/A	N/A	
		Number of reports setting out progress on the BizPortal enhancements and improved company registration process	New indicator	New indicator	1	1 report on BizPortal enhancements	N/A	N/A	
		Number of reports setting out progress on the selected regulatory reforms identified	New indicator	New indicator	4	4 reports setting out progress on the selected regulatory reforms identified	N/A	N/A	
		Number of reports setting out progress on support to the Presidency Red Tape Reduction Office	New indicator	New indicator	1	1 report setting out progress on support to the Presidency Red Tape Reduction Office	N/A	N/A	

Programme/sub-programme: Invest SA									
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations	
Transformation	<p>Reports on the following:</p> <ol style="list-style-type: none"> Progress on the evaluation of localisation, jobs and export values created by supported investment projects Progress against the development of investor compacts that support black industrialists, women- and youth- owned enterprises, and small enterprises Progress against the investment-promotion support provided to SEZs, industrial parks, and district policymakers and for township enterprises 	Number of report setting out progress on the evaluation of localisation, jobs and export values created by supported investment projects	New indicator	New indicator	1	1	N/A	N/A	
		Number of reports setting out progress against the development of investor compacts that support black industrialists, women- and youth-owned enterprises, and small enterprises	New indicator	New indicator	1	1 report setting out progress against the development of investor compacts that support black industrialists, women- and youth- owned enterprises, and small enterprises	N/A	N/A	
		Number of reports setting out progress against the investment promotion support provided to SEZs, industrial parks, and district policymakers and for township enterprises	New indicator	New indicator	1	1 report setting out progress against the investment-promotion support provided to SEZs and industrial parks	N/A	N/A	

Programme/sub-programme: Invest SA									
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations	
Capable state (effective delivery/implementation)	Reports on the following: 1. Support for and work with the Presidency Investment and Infrastructure Office	Number of reports setting out progress on support for and work with the Presidency Investment and Infrastructure Office	New indicator	New indicator	1	1 report setting out progress on support for and work with the Presidency Investment and Infrastructure Office	N/A	N/A	
	2. Work undertaken with provinces and local government on investment promotion	Number of reports setting out progress on work undertaken with provinces and local government on investment promotion	New indicator	New indicator	1	1 report setting out progress against the investment-promotion support provided to SEZs and industrial parks		N/A	

4.8.3 Linking performance with budgets

The programme's total spend as at 31 March 2023 was R56.2 million, and has enabled the delivery of the programme's work on inward investment attraction, facilitation and aftercare. Among the notable achievements is the realisation of 260 unblockings and fast-tracking of investor issues.

4.8.4 Sub-programme expenditure

Sub-programme	2022/23			2021/22		
	Final appropriation	Actual expenditure	(Over)/under expenditure	Final appropriation	Actual expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Investment Promotion	49 554	49 049	505	49 476	47 281	2 195
Investment and Interdepartmental Clearing House	15 732	6 509	9 223	15 589	6 430	9 159
Investor Support and Aftercare	3 894	735	3 159	588	2	586
TOTAL	69 180	56 293	12 887	65 653	53 713	11 940

4.8.5 Strategy to overcome areas of underperformance

Enhanced coordination between branches and with other departments and entities.

4.8.6 Performance in relation to standardised outputs and output indicators for sectors with concurrent functions

N/A

4.9. Programme 9: Competition Policy

a. Purpose

Develop and roll out policy interventions that promote competition issues, through effective economic planning, spatial implementation and aligned investment and development policy tools.

b. Description of sub-programmes

- i. **Economic Planning and Advisory** promotes integrated economic planning analysis of economic plans and advancement of competition priorities.
- ii. **Implementation and Coordination** promotes implementation of economic development plans aligned to competition decisions, orders and recommendations.
- iii. **Investment and Development** promotes public and private investment for development.
- iv. **Competition Oversight** provides support to the minister to carry out statutory responsibilities as required in terms of competition legislation.

c. Institutional outcomes towards which the programme contributes

Policy tools and implementation strategies that contribute to an efficient, competitive economic environment, balancing the interests of workers, owners and consumers, and focused on economic development.

4.9.1 Outcomes, outputs, output indicators, targets and actual achievements

4.9.1.1 Mergers and acquisitions

During the period under review, the minister was notified of 271 mergers, and advised to participate in 49 based on public-interest considerations that included employment, localisation, and historically disadvantaged persons (HDP)/ownership. The following were significant merger public-interest outcomes for the year:

Ardagh/Consol

- BEE and employee stock ownership plan (ESOP)
- No merger-related retrenchments for three years
- Investment in production capacity of R3 billion
- Procurement of recycled glass from black suppliers
- Localisation of dining glassware

Shoprite

- Employment protection: No retrenchment as a result of the merger; transfer of about 4 480 Massmart staff to Shoprite from the 94 stores acquired.
- Employment creation: An additional 18 500 jobs are to be created over five years, with 3 880 new jobs created in the past six months.
- Transformation: Shoprite set up an ESOP for employees who have worked for the company for at least two years at no cost to the employees, and which will immediately benefit 85 000 Shoprite workers. An employee representative will sit on the board of Shoprite (Pty) Ltd. Since inception, two dividend distributions were made in excess of R200 million.

Localisation and enterprise development: Shoprite undertakes to localise and spend an additional R500 million annually on the procurement of South-African-produced food, which will be achieved five years' post-merger approval. Shoprite will promote procurement from SMMEs and HDPs. It will invest in the development of independent retailers and spaza shops, micro caterers and SMME suppliers. This support amounts to R350 million over three years.

Implats

- Employment: No retrenchment as a result of the merger, for five years from the date of the merger approval.
- Worker ownership: Implats will give workers an option to retain their current Royal Bafokeng Platinum ESOP or replace it with the Implats Employee Share Ownership Trust.
- Support for SMME and HDP suppliers: Implats will not terminate any contracts in place with SMME and HDP suppliers that are SMMEs. Implats will maintain and increase its spending on this target group.
- Localisation: Implats will maintain and improve the level of localisation over a period of five years, where local capital equipment is available at competitive pricing.
- Investment: Implats will maintain or increase its capital expenditure (using 2021 as a base).
- Support for green industry: Implats will co-fund projects with the IDC on hydrogen technology or its commercialisation in South Africa, subject to Implats acquiring majority shares in Royal Bafokeng Platinum.

Heineken

- Investment: Capex of R10 billion over five years to maintain and grow aggregate productive capacity; R3.8-billion investment within five years for a new greenfield brewery; and R1.7-billion investment within five years for a new greenfield maltery. This investment will reduce Heineken's import of the finished product and barley; and support approximately 279 new jobs and about 900 indirect agricultural jobs.
- Enterprise support: Source more than 80% of key inputs locally, including malt, grape and wine, dairy, apple juice concentrate, compounds and flavours, and maize. HDP procurement over five years, with a commitment of R4.7 billion.
- ESOP and employment commitment: Within three months of approval, the merger parties shall establish a new ESOP of approximately 6.33% valued at about R3.5 billion. For five years, the merged entity shall maintain the total aggregate number of all employees in South Africa.
- Supplier development and other funding support commitments totalling R775 million: The merging parties will spend R400 million over five years for investment in SME and HDP-controlled suppliers to promote agriculture, research and development, and provide support to black-women-owned and controlled businesses; contribute R200 million to a localisation and growth fund; and invest R175 million over five years to support 1 000 tavern owners to create safe, responsible and sustainable businesses.

Mediclinic

- Employment: 11 881 workers to benefit from an employee benefit scheme.
- Investment: Commitment to a capital expenditure of R5 billion over five years, starting 1 April 2023; R5 billion will be spent over five years on procurement from black-owned businesses, of which R2.5 billion will be procured from black-owned exempted micro enterprises (EMEs) or qualifying small enterprises (QSEs).
- To address surgical backlogs in the public health sector, Mediclinic will provide 1 000 pro-bono surgeries at its South African facilities over five years, and will further engage doctors and encourage them to assist with pro-bono surgeries.
- Skills development: 1 700 nurses will receive training over five years, at a cost of R80 million; R45 million in medical training grants will be provided in consultation with the national Department of Health; R15 million will be provided to the national Department of Health as a medical training grant; R22.5 million will be spent on medical training at the Wits Donald Gordon Medical Centre; and R40 million will be spent over five years on grants and loans to support Unjani Clinics or similar facilities in underserved communities.

Localisation initiatives successfully implemented

AMRAS – mainline rail

- On 1 August 2022, Highveld's Structural Mill was sold to ArcelorMittal Rail and Structures (AMRAS), and Minister Patel formally opened the facility on 20 October 2022.
- Approximately 250 workers are employed at the AMRAS facility, which has a production capacity of 15 000 tons a month.
- This facility has the ability to produce mainline rail – the only facility of its kind on the African continent.
- Annual import replacement on structural steel amounts to R1 billion, and mainline rail R500 million (import cost for the same quantity of mainline rail is R1 billion per year).

Consol – dining glasses

- Dining glassware that is currently imported will once again be produced in South Africa. The merged entity has already purchased the moulds and a test run has been completed. Full production of dining glass began in early February 2023.

4.9.1.2 Market inquiries

The Competition Commission launched a new market inquiry into the fresh produce market in March 2023. It is also working to conclude the market inquiry on online intermediation platforms, which was extended to 31 April 2023 owing to a request for further public consultation.

4.9.1.3 Red-tape reduction

In his 2022/23 Budget Vote, the Minister stressed the need to build a capable state and cut red tape, to create a leaner, more responsive and relevant set of institutions. As a result, the Competition Commission published service standards for merger investigations, particularly the time periods it takes to complete an investigation. These service standards are necessary as the Act sets out timeframes for merger investigations, regardless of their level of complexity. The Competition Commission managed to complete its merger investigations in fewer days than required in terms of the Act and its own service standards.

The Competition Tribunal approved its new Website Policy and Procedure, which explains the processes for uploading and verifying content on the website, and how it connects to the internal case management system. The Tribunal also upgraded the primary case management system Case360 to the latest version available. This was done to ensure the system remains sustainable and up-to-date with the latest features and security features. The website search engine and other aspects, such as the home page layout and case database, underwent improvements for optimal functioning.

4.9.1.4 Key policy changes and development

Health and Safety Policy Statement

During the year under review, the Competition Commission developed a policy statement in line with the requirements of the Occupational Health and Safety Act 85 of 1993. The purpose of this policy is to define the scope of the occupational health and safety commitments that the commission is obliged to implement in terms of OHS Act 85 of 1993.

Draft Electricity Pricing Policy

On 18 August 2022, the Competition Commission submitted a policy position on the Draft Electricity Pricing Policy (EPP) issued by the Department of Mineral Resources and Energy on 10 February 2022. The EPP seeks to provide a guide on the adoption of a standardised approach to electricity pricing.

Guidelines on Small Merger Notification

There are concerns that potentially anti-competitive acquisitions in digital or technology markets are escaping regulatory scrutiny due to them taking place at an early stage in the life of the target firm, before they have generated sufficient turnover or accumulated capital and physical assets that would trigger mandatory merger notifications as set by the turnover or asset thresholds. The new small merger guidelines seek to address this gap by stipulating that where a merger involves an acquiring firm that fulfils the turnover or asset value for a large merger, and the target has a transaction value that also is above the thresholds used for assets, then the merging parties need to inform the commission of the transaction.

4.9.1.5 Social and solidarity economy

As part of the programme's work on the social economy, on 3 June 2022, the Social Employment Fund announced the names of the successful strategic implementing partners (SIPs) that will be receiving funding to assist social enterprises through job creation. The

launch was attended by Minister Patel, the executive of the IDC, and various media houses. The IDC has contracted 26 SIPs, with R800 million committed to the fund for the 2021/22 financial year, and an amount of R861.6 million for the 2022/23 financial year. The aim was to create 50 000 work opportunities for communities largely based in rural and semi-urban areas. As at the end of March 2023, a total of 65 033 unique work opportunities had been created.

4.9.2 Report against the originally tabled Annual Performance Plan

Programme/sub-programme: Competition Policy								
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations
Industrialisation	Reports on the following: 1. Public-interest conditions in mergers and acquisitions 2. Implementation of merger commitments made in the past five years	Number of reports setting out progress with public-interest conditions in mergers and acquisitions	4	5	5	5 reports setting out progress with public-interest conditions in mergers and acquisitions	N/A	N/A
		Number of reports setting out progress in the implementation of merger commitments made in the past five years	6	5	5	5 reports setting out progress in the implementation of merger commitments made in the past five years	N/A	N/A
Transformation	Reports on the portfolio of sectors to be considered by the executive authority for market inquiries	Number of reports on the portfolio of sectors to be considered by the executive authority for market inquiries	New indicator	New indicator	1	1 report on the portfolio of sectors to be considered by the executive authority market inquiries	N/A	N/A

Programme/sub-programme: Competition Policy								
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations
Transformation	Reports setting out progress with the recommendations and findings of: 1. Past market inquiries 2. Recommendations and findings of the Economic Concentration Report 3. And in securing inputs from firms and government entities in market inquiries	Number of reports setting out progress with the recommendations and findings of: 1. Past market inquiries 2. Recommendations and findings of the Economic Concentration Report 3. And in securing inputs from firms and government entities in market inquiries	New indicator	New indicator	2	2 reports setting out progress with the recommendations and findings of past market inquiries, and recommendations and findings of the Economic Concentration Report	N/A	N/A
	Reports setting out progress with mainstreaming competition work in master plans, AfCFTA negotiations, green economy, exports, and spatial development	Number of reports setting out progress with mainstreaming competition work in master plans, AfCFTA negotiations, green economy, exports, and spatial development	New indicator	New indicator	2	2 reports setting out progress with mainstreaming competition work in master plans, AfCFTA negotiations	N/A	N/A

Programme/sub-programme: Competition Policy								
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations
Transformation	Report on implementation of the social and solidarity economy policy framework	Number of reports on implementation of the social and solidarity economy policy framework	New indicator	1	1	1 report on implementation of the social and solidarity economy policy framework	N/A	N/A
Capable state	Reports setting out the results of the review of the competition policy framework and regulatory reforms	Number of reports setting out the results of the review of the competition policy framework and regulatory reforms	New Indicator	New indicator	1	1 report setting out the results of the review of the competition policy framework and regulatory reforms	N/A	N/A

Programme/sub-programme: Competition Policy								
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations
Capable state	Reports on the following: 1. Red-tape reduction 2. Oversight of competition entities	Number of reports on red-tape reduction	New indicator	New indicator	2	2 reports on red-tape reduction	N/A	N/A
		Number of reports setting out progress on oversight of competition entities	8	4	4	8 reports setting out progress with oversight of competition entities	4	The Minister appointed two acting part-time members to the Tribunal in quarter 2. In terms of the PFMA, the entities' annual reports must be tabled in the National Assembly by 30 September. Although the work was done over two quarters, the product was finalised, and therefore reported, in Q2. The appointment of Tribunal members were made after an extension of the headhunting process.

Programme/sub-programme: Competition Policy								
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations
Capable State								<p>Appointments are made when vacancies occur, which is unplanned.</p> <p>Vacancies at the Tribunal occurred due to a Tribunal member resigning and another member not being reappointed by the Minister. The appointment of two Tribunal members was a long process and the department had to secure the President's approval. This was achieved in Q4.</p>

4.9.3 Linking performance with budgets

The programme's total spend as at 31 March 2023 was R1.74 billion or 99.9% of the budget, which enabled **the dtic** to evaluate merger filings with a focus on public-interest outcomes, to monitor the implementation of merger conditions, and market inquiry recommendations.

Grant allocation of R491.8 million was disbursed to the Competition Commission and Competition Tribunal, thus enabling these regulatory bodies to fulfil their mandate in terms of the Competition Act (89 of 1998), while R861.6 million was disbursed to the Social Employment Fund.

4.9.4 Sub-programme

Sub-programme	2022/23			2021/22		
	Final appropriation	Actual expenditure	(Over)/under expenditure	Final appropriation	Actual expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Economic Planning and Advisory	14 469	14 204	265	10 623	10 579	44
Implementation and Coordination	1 723 421	1 723 014	407	1 626 984	1 620 052	6 932
Investment and Development	4 127	4 089	38	3 888	3 852	36
Competition Oversight	934	140	794	1 641	51	1 590
TOTAL	1 742 951	1 741 447	1 504	1 643 136	1 634 534	8 602

4.9.5 Strategy to overcome areas of underperformance

There were no areas of underperformance.

4.9.6 Performance in relation to standardised outputs and output indicators for sectors with concurrent functions

N/A

4.10. Programme 10: Economic Research

a. Purpose

Undertake economic research, contribute to the development of trade and industrial policies, and guide policy, legislative and strategy processes to facilitate inclusive growth.

b. Description of sub-programmes

- i. **Economic Research and Policy Coordination** undertakes economic research, develops policy options, and guides policy through consultation with stakeholders.
- ii. **Macroeconomic and Microeconomic Policy** evaluates and develops macroeconomic and microeconomic policy options to achieve inclusive growth; and promotes decent work outcomes, productivity, entrepreneurship and innovation.
- iii. **Growth Path and Decent Work** develops and coordinates master plans and constituency-based interventions (business, labour and community) to support the creation of decent work, entrepreneurship and innovation.

c. Institutional outcomes towards which the programme contributes

- i. Socio-, macro- and micro-economic policy options developed and assessed to promote inclusive growth.
- ii. Policymakers and stakeholders have access to policy-relevant, high-quality economic analysis.

4.10.1 Outcomes, outputs, output indicators, targets and actual achievements

The programme produced economic policy and research reports to inform policy and decision-making in the department, and achieved all its targets in this regard.

Key outputs include the following research reports and factsheets on investment, master plan sector profiles, localisation and exports:

- Master plan sectoral performance reports, including progress on the implementation and operationalisation of the R-CTFL Master Plan, the South African furniture industry, the poultry industry value chain, and implementation of the South African Sugar Value Chain Master Plan.
- Factsheets on sustainable aviation fuel (SAF) production and its potential impact on the sugar industry; the localisation of plastic equipment for chicken production; and enhancing localisation and demand for electric vehicles in South Africa.

Through its strategic research partner support, the programme achieved the following research, providing feedback on the efficacy and impact of **the dtic** initiatives and measures:

- Impact report on building – back better: Financial rebuilding support package in response to the civil unrest in KwaZulu-Natal and Gauteng in July 2021.
- Impact assessment study of EMIA scheme for the period 2015 to 2021.
- Impact assessment of conformity assessment under the new South African carbon tax regime and opportunities for **the dtic**.

Policy research briefs were also produced covering progress towards the reduction of South Africa's greenhouse gas emissions; improving the localisation of digital products in South Africa; and the rationalisation of **the dtic** entities.

The programme also developed an ESOP register that records progress on ownership and participation measures in terms of transformation.

In support of the District Development Model, 52 district-level dashboards of **the dtic** and its entities' interventions were developed.

Reports on best practice in the international experience of regulatory reform and regulatory red tape in South Africa with reference to the electricity sector were produced, contributing to red-tape reduction initiatives.

To contribute to a capable state, as outlined in the Medium-Term Strategic Framework 2019-2024, the programme identified and signed a Memorandum of Understanding with the North-West University for collaboration on skills for capacity development for the department.

The programme hosted the following knowledge networks:

- Youth in Industries: Enterprise Development Support and Access to Markets, hosted on 14 June 2022. The aim of the event was to create adequate space to engage a range of stakeholders in multi-layered dialogues on matters relating to supporting youth-owned enterprises. The event also formed part of **the dtic** and government-wide discussions on issues facing the youth. The network was convened in partnership with Brand South Africa, and participants included officials from national and provincial economic cluster government departments, labour, business and academia.
- Competition Policy Knowledge Network webinar, held on 22 September 2022. The webinar provided a platform for a range of stakeholders to engage on matters relating to competition policy.
- Competition Policy Eminent Lecture on Market Inquiries, held on 6 December 2022.

The following opinion pieces were produced and published:

- Infrastructure-led growth and youth entrepreneurial development support
- Positioning the local API industry as a regional development and manufacturing hub for the African continent
- Energy storage solutions: An opportunity to grow the local battery storage industry
- South Africa's construction sector performance: What could have gone wrong?
- South Africa's scrap metal policy: Quo vadis?
- Black Industrialists Programme
- Ban on South African vegetables by Namibia and Botswana
- Assessment of the effectiveness of the SAIC as a national investment instrument
- Africa agricultural intra-trade to advance food security and Industrial development
- Evaluating the poultry feed industry and alternatives for the future

4.10.2 Report against the originally tabled Annual Performance Plan

Programme/sub-programme: Economic Research								
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	** Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations
Capable state	Research reports/ factsheets produced on investment, master plan sector profiles, localisation and exports	Number of research reports/ factsheets produced on Investment, master plan sector profiles, localisation and exports	New Indicator	New indicator	17	1. Master Plan Sectoral Performance Report 2022 Q1 2. Master Plan Sectoral Performance Report 2022 Q2 3. Master Plan Sectoral Performance Report Q3 2022 4. Master Plan Sectoral Performance Report Q4 2022 5. Annual Sector Master Plan Report 6. Report on progress in the implementation and operationalisation of the R-CTFL Master Plan 7. Report on the master plan for the South African furniture industry 8. Master plan report on the poultry industry value chain 9. Report on progress in the implementation and operationalisation of the Automotive Master Plan 10. Report on the sugar industry and progress made in the implementation of the South African Sugar Value Chain Master Plan 2030 11. Factsheet on SAF production	N/A	N/A

Programme/sub-programme: Economic Research									
Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations	
Capable state	Worker ownership register	Worker ownership register developed and maintained	New indicator	New indicator	1	One ESOP register developed	N/A	N/A	
	Localisation and jobs impact monitoring system supported	Localisation and jobs impact monitoring system supported	New indicator	New indicator	1	Localisation impact monitoring dashboard supported	N/A	N/A	
	Reports on the following: 1. Research briefs produced at the request of the dtic branches or the executive authority on areas such as the green economy, digital economy, and rationalisation of the dtic entities	Number of policy research briefs produced at the request of the dtic branches or the executive authority on areas such as the green economy, digital economy, and rationalisation of the dtic entities	New indicator	New indicator	3	Policy research brief on progress towards the reduction of South Africa's greenhouse gas emissions produced Policy research brief on improving the localisation of digital products in South Africa produced Policy research brief: A case for rationalisation of the dtic entities produced	N/A	N/A	
	2. Red-tape reduction	Number of reports on red-tape reduction	New indicator	New indicator	2	Report on best practice in the international experience of regulatory reform produced Report on regulatory red-tape in South Africa with specific reference to the electricity sector produced	N/A	N/A	

Programme/sub-programme: Economic Research									
Outcome	Output	Output Indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations	
Capable state	Impact assessments produced at the request of branches or the executive authority, providing feedback on the efficacy and impact of the dtic initiatives and measures	Number of impact assessments produced at the request of branches or the executive authority, providing feedback on the efficacy and impact of the dtic initiatives and measures	New indicator	New indicator	3	Impact report on building – back better: Financial rebuilding support package in response to the civil unrest in KZN and Gauteng in July 2021 produced Impact assessment study of EMIA scheme for the period 2015 to 2021 produced Impact assessment study of conformity assessment under the new SA carbon tax regime and opportunities for the dtic produced	N/A	N/A	
	District-level dashboards of the dtic and its entities' interventions developed and maintained	Number of district-level dashboards of the dtic and its entities' interventions developed and maintained	New indicator	New indicator	52	52 district-level dashboards of the dtic and its entities' interventions developed	N/A	N/A	
	Reports on work completed on integration of the dtic efforts on industrialisation and transformation at district level	Number of reports on work completed on integration of the dtic efforts on industrialisation and transformation at district level	New indicator	New indicator	2	Two reports on work completed on integration of the dtic efforts on industrialisation and transformation at district level produced	N/A	N/A	

Programme/sub-programme: Economic Research									
Outcome	Output	Output Indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations	
Capable state	Knowledge networks for capacity building of staff in relevant analytical fields convened	Number of knowledge networks for capacity building of staff in relevant analytical fields convened	New indicator	New indicator	3	Knowledge network on "Youth in Industries: Enterprise Development Support and Access to Markets" convened on 14 June 2022 Competition Policy Knowledge Network webinar convened on 22 September 2022 Knowledge network report on the Competition Policy Eminent Lecture on market inquiries convened on 6 December 2022	N/A	N/A	
	Pieces published	Number of opinion pieces published	New indicator	New indicator	10	Opinion piece on "Infrastructure-led growth and youth entrepreneurial development support: Urgent socio-economic priorities for South Africa's economic recovery" published Opinion piece on "Positioning the local API industry as a regional development and manufacturing hub for the African Continent: Policy considerations" published Opinion piece on "Energy storage solutions - an opportunity to grow the local battery storage industry" published	N/A	N/A	

Programme/sub-programme: Economic Research									
Outcome	Output	Output Indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations	
Capable state						Opinion piece on "South Africa's construction sector performance: What could have gone wrong?" published			
						Opinion piece on "South Africa's scrap metal policy: Quo vadis?" published			
						Opinion piece on the Black Industrialists Programme published			
						Opinion piece on the ban on South African vegetables by Namibia and Botswana published			
						Opinion piece on an assessment of the effectiveness of the SAIC as a national investment instrument published			
						Opinion piece on Africa agricultural intra-trade to advance food security and Industrial development published.			
						Opinion piece on "Evaluating the poultry feed industry and alternatives for the future" published			

Programme/sub-programme: Economic Research									
Outcome	Output	Output Indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Planned annual target 2022/23	**Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations	
Capable state	Programme agreed with higher education institutions	Number of programmes agreed with higher education institutions	New indicator	New indicator	1	1 programme agreed with higher education institutions – capacity building report produced and MoU signed with North-West University	N/A	N/A	

4.10.5 Linking performance with budgets

The programme's total spend as at 31 March 2023 was R48.2 million or 98.3% of the budget. The spending comprised costs for human resources as well as goods and services, which enabled the programme to achieve 43 outputs, including the development of 52 district-level dashboards of the **dtic** and its entities' interventions for the 2022/23 financial year.

4.10.6 Sub-programme expenditure

Sub-programme	2022/23			2021/22		
	Final appropriation	Actual expenditure	(Over)/ under expenditure	Final appropriation	Actual expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Economic Research and Policy Coordination	31 188	30 555	633	38 440	19 642	18 798
Macroeconomic and Microeconomic Policy	9 718	9 716	2	13 383	8 583	4 800
Growth Path and Decent Work	8 172	7 966	206	13 191	9 740	3 451
TOTAL	49 078	48 237	841	65 014	37 965	27 049

4.10.7 Strategy to overcome areas of underperformance

There were no areas of underperformance.

4.10.8 Performance in relation to standardised outputs and output indicators for sectors with concurrent functions

N/A

5. TRANSFER PAYMENTS

5.1. Transfer payments to public entities

Name of public entity	Key outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
National Empowerment Fund	Promotes savings and investments among HDPs through its retail activities, and funds economic empowerment and black business through its investment division	-	To be reported in annual report of this entity	To be reported in annual report of this entity
National Gambling Board	Provides advice on the national gambling industry, and promotes uniform norms and standards across provinces	36 477	To be reported in annual report of this entity	To be reported in annual report of this entity
National Lotteries Commission	Exercises national control over lottery activities	-	To be reported in annual report of this entity	To be reported in annual report of this entity
National Metrology Institute of South Africa	Supports global competitiveness through the provision of fit-for-purpose international acceptable measurement standards and measurements	195 704	To be reported in annual report of this entity	To be reported in annual report of this entity
South African National Accreditation System	Provides an accreditation system for laboratories, certification, inspection and good laboratory practice (GLP). Establishes laboratory, personnel and certification bodies in South Africa, as well as mutual recognition agreements with international accreditation organisations	33 820	To be reported in annual report of this entity	To be reported in annual report of this entity
National Credit Regulator	Regulates the South African credit industry	83 241	To be reported in annual report of this entity	To be reported in annual report of this entity
Companies and Intellectual Property	Registration of companies, cooperatives and IP rights (trade marks, patents, designs and copyright) and maintenance thereof	-	To be reported in annual report of this entity	To be reported in annual report of this entity

Name of public entity	Key outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
National Consumer Tribunal	Adjudicates a variety of applications, and hears cases against credit providers that contravene the Act	54 756	To be reported in annual report of this entity	To be reported in annual report of this entity
National Regulator for Compulsory Specification	Administers compulsory specifications, otherwise known as technical regulations	147 560	To be reported in annual report of this entity	To be reported in annual report of this entity
National Consumer Commission	Charged with the responsibility to enforce and carry out the functions assigned to it in terms of the Act, which aims to promote, protect and advance the social and economic welfare of consumers in South Africa by providing leadership, advocacy and a system of rapid redress, thereby creating a fair and accessible consumer marketplace	59 388	To be reported in annual report of this entity	To be reported in annual report of this entity
Companies Tribunal	May adjudicate in relation to any application made to it, and make any order as provided for in the Companies Act in respect of such an application, and in addition serve as a forum for voluntary alternative dispute resolution	24 529	To be reported in annual report of this entity	To be reported in annual report of this entity
South African Bureau of Standards	Provides for the development, promotion and maintenance of standardisation and quality in connection with commodities and the rendering of related conformity assessment services	361 248	To be reported in annual report of this entity	To be reported in annual report of this entity

Name of public entity	Key outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
Export Credit Insurance Corporation of South Africa	Facilitates and encourages South African export trade by underwriting export credit loans and investments outside South Africa, and enabling South African contractors to secure capital goods and services in other countries	150 000	To be reported in annual report of this entity	To be reported in annual report of this entity
Competition Commission	The investigative and enforcement arm of the Competition Act. It investigates mergers and/or anti- competitive conduct and reflects its findings to the Competition Tribunal for a decision	449 518	To be reported in the annual report of this entity	To be reported in annual report of this entity
Competition Tribunal	Adjudicates on mergers and prohibited practice cases that involve anti-competitive outcomes achieved either through coordinated conduct between competing firms or unilateral conduct by a dominant firm	42 286	To be reported in annual report of this entity	To be reported in annual report of this entity
International Trade Administration Commission of South Africa	Aims to create fair trade conditions that will boost South Africa's economic development and growth	108 559	To be reported in annual report of this entity	To be reported in annual report of this entity
Small Enterprise Development Agency	Provides access to SMMEs via direct lending and intermediaries	258 658	To be reported in annual report of this entity	To be reported in annual report of this entity
Industrial Development Corporation	National development finance institution with the objective of leading industrial capacity development	-	To be reported in annual report of this entity	To be reported in annual report of this entity
The Takeover Regulation Panel		-	To be reported in annual report of this entity	To be reported in annual report of this entity

5.2. Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made for the period 1 April 2022 to 31 March 2023

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)
National Productivity Institute	Departmental agency	Workplace challenge	Yes	10 558
Council for Geoscience (CGS)	Departmental agency	The objectives underlying the establishment of the CGS are to develop and publish world-class geoscience knowledge products, and to render geoscience-related services to the South African public and industry	Yes	1 437
Centurion Aerospace Village	Non-profit institution	Aerospace	Yes	8 000
Council for Scientific and Industrial Research	Public corporation	Fibre and Textile Centre of Excellence, aerospace industry support, National Cleaner Production, and National Foundry Technology Network	Yes	114 275
Industrial Development Corporation	Public corporation	Customer Sector Programme, Clothing and Textiles Production Incentive; MCEP industrial loan; Tirisano Trust Fund; Steel Development; Social Employment Fund	Yes	1 820 174
Intsimbi Future Production Technologies Initiatives	Non-profit institution	Rehabilitation and growth of the tool, die and mould manufacturing industry	Yes	68 176
Black Business Council	Non-profit institution	Policy advocacy to accelerate the participation of black South Africans in the mainstream economy	Yes	1 690

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)
Protechnik Laboratories	Public corporation	Chemical laboratories	Yes	4 920
World Trade Organisation	International organisation	Membership fee	N/A	15 436
Organisation for the Prohibition of Chemical Weapons	International organisation	Membership fee	N/A	3 221
United Nations Industrial Development Organisation	International organisation	Membership fee	N/A	5 210
International Financial Reporting Standards Foundation	International organisation	Membership fee	N/A	2 820
World Intellectual Property Organisation	International organisation	Membership fee	N/A	6 387
Proudly South African Campaign	Non-profit institution	Promote the buying of locally manufactured products and services, rolling out national campaigns to create awareness of economy-wide benefits of buying locally manufactured products	Yes	41 530
Trade and Industrial Policy Strategies	Non-profit institution	Facilitates policy development and dialogue in pursuit of sustainable and inclusive growth	Yes	30 480

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)
Auto Supply Chain Competitive Initiative	Non-profit institution	National non-profit initiative jointly established by government, industry and labour to facilitate, coordinate and oversee supplier competitiveness improvement initiatives in the South African automotive industry, and to set the strategic direction for specific practically oriented competitiveness improvement projects	Yes	9 925
Treaty Organisation for Metrology	International organisation	Intergovernmental treaty organisation addressing legal metrology, including provisions related to units of measurement, measurement results (e.g. pre-packages) and measuring instruments	N/A	1 935

The table below reflects the transfer payments budgeted for in the period 1 April 2022 to 31 March 2023, but no transfer payments were made.

Name of transferee	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
United Nations: Treaty on the prohibition of nuclear weapons	International organisation membership: Contribution by South Africa to the United Nations - Treaty on the prohibition of nuclear weapons	2 000	-	Compliance documentation, which must be in place before a payment could be made.

6. CONDITIONAL GRANTS

There were no conditional grants for the reporting period.

7. DONOR FUNDS

7.1. Donor funds received

No donor funds were received for the reporting period.

8. CAPITAL INVESTMENT

8.1. Capital investment, maintenance and asset management plan

Capital investment information is not applicable for the period under review.





PART C

Governance

1. INTRODUCTION

the dtic is committed to the highest standard of risk management, governance, ethics and integrity essential for public confidence in the delivery of its mandate. We embrace best practice and adhere to all requirements of the PFMA section 38 (1) (a) (i); King IV principles 2 and 5.4; Disaster Management Act 16 of 2015; PSA section 30; PSR section 13, 18; and other best-practice principles. Robust institutional governance and risk frameworks ensure the ethical delivery of our mandate. In line with policies and strategies, our practices are reviewed on an ongoing basis, while being mindful of the volatility of the economic factors, viz. failing domestic infrastructure and digital enhancements such as artificial intelligence, geopolitics, and the increasing risk of cybersecurity and data confidentiality.

2. RISK MANAGEMENT

Every effort to stimulate industrialisation and transformation of the economy was analysed to identify risks that would impede such efforts, including the following:

- Exposure to cybersecurity threats.
- Geopolitical risks with the Russia-Ukraine war, and the negative impact on our export market.
- Manufacturing sector impacted by disruptions to the global and local supply chains, and the absence of supporting infrastructure (unstable electricity supply/load shedding/bottlenecks) at the ports.
- Threat of job losses and the inability to create more jobs within the manufacturing sector, exacerbated by the emergence of the Fourth Industrial Revolution.

The governance structures in place to effectively and economically utilise state resources ensured the successful management and mitigation of the major risks that faced the department.

- **the dtic** has a Risk Management Committee (RMC) chaired by an external independent person. The committee advises management on the overall system of risk management.
- The department has a Risk Management Policy and Strategy, materiality threshold (risk appetite and tolerance), and Business Continuity Management Policy and Strategy.
- The risk management process is aligned with the planning process of the department. Strategic (and emerging) risks that could impede the achievement of **the dtic's** strategic objectives are identified, assessed, and managed or mitigated. The assessment is conducted annually before the start of the new financial year, and updated every quarter with potential, actual and emerging risks. The management of strategic risks is the responsibility of the Executive Board (ExBo), and discussed formally on a quarterly basis.
- Operational risk assessments are conducted annually to ensure that risks are identified and mitigated.
- On a quarterly basis, the Risk Management Unit monitors and reports on the progress of interventions to mitigate or manage the risks identified, for discussion at the RMC.
- The RMC is attended by risk champions from all branches of the department; the Chief Financial Officer; Chief Director: Legal; the Chief Risk and Compliance Officer; and Internal Audit. The Risk Management Unit monitored both the strategic and operational risks of the department. No risks had materialised. The Internal Audit function assesses the effectiveness of the system of risk

management, and advises management on any deficiencies in the risk-management process.

- On a quarterly basis, the Chief Risk Officer delivers training sessions on risk management to the entire department. In addition, quarterly communications are disseminated via the internal newsflashes to enhance the risk management understanding and culture.
- The Audit Committee independently assesses the effectiveness of the system of risk management, and provides assurance thereof to management.

3. FRAUD AND CORRUPTION

the dtic is committed to zero tolerance of fraud and corruption. The Fraud Prevention Policy and Plan assist in driving initiatives to ensure that both employees of **the dtic** and the public are encouraged to report any suspicious activities. There is also a strong focus on ethics awareness as a deterrent to incidents of fraud. The department has two hotlines in place that encourage the confidential reporting of fraud and unethical matters. These are fraudandcorruption@thedtic.gov.za and ethics@thedtic.gov.za. The ethics hotline is for internal reporting, while the fraud and corruption hotline is for both internal and public. The email address is placed on **the dtic**'s website. The toll-free National Anti-Corruption Hotline 0800 701 701 is also promoted as part of **the dtic**'s initiative of encouraging the reporting of any form of fraudulent and/or corrupt activity. The Internal Audit function investigates all incidents of fraud, and the appropriate action is taken.

4. MINIMISING CONFLICT OF INTEREST

In an effort to promote a professional, ethical, dynamic, competitive and customer-focused working environment, the Head of Ethics and the Ethics Officer facilitated the disclosure of financial interests by members of the SMS and achieved 100% compliance for the financial year, as reported by the Public Service Commission. Verification of the financial disclosures revealed no instances of conflict of interest.

To further assist and enhance the ethical culture in the department, employees are required to obtain approval to perform remunerative work outside the public service and disclose all business interests. Such applications are submitted to the Head of Ethics for scrutiny to ensure there are no conflicts of interest before approval can be granted by the Director-General.

The Head of Ethics continued to promote ethical conduct through internal awareness newsflashes every quarter and by addressing ethical dilemmas. Awareness is created on the receiving of gifts, which would pose potential or actual conflicts of interest.

5. CODE OF CONDUCT

The Code of Conduct outlines the standards of behaviour that are expected of both departmental employees and stakeholders. Its purpose is to foster a culture of ethical conduct and professionalism. In order to ensure that officials adhere to these standards, the department offers ongoing training and raises awareness through induction programmes, training interventions, and newsflashes. The National School of Government also provides training on ethical conduct to support this effort. An Ethics Committee comprising various senior managers of the department has been appointed, and commenced to address the challenges the department may experience with regard to the internal environment.

Any violation of the Code of Conduct is regarded as an act of misconduct. The department responds to breaches by initiating disciplinary action against employees in accordance with the Public Service Disciplinary Code and Procedures, as well as Chapter 7 of the SMS Handbook.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The department implemented 96% of its action plan per the Hazard Identification and Risk Assessment (HIRA). Four quarterly occupational health and safety (OHS) meetings proceeded, with biannual evacuation drills as per the OHS Act 85 of 1993. Fire equipment was regularly inspected and other activities undertaken, as per the OHS Act.

Consumption of utilities was closely monitored, despite challenges in meter readings by the City Council. Electricity consumption was reduced since the appointment of Broll. **the dtic** is making use of a borehole for the watering of gardens, and other design features of the building were enabled towards an environmentally friendly approach.

7. PORTFOLIO COMMITTEES

the dtic Parliamentary Meetings of the Portfolio Committee on Trade, Industry and Competition April 2022 to March 2023

Date	Meeting title
19 April 2022	Briefing by the Minister and Deputy Minister – the dtic 2022/23 Annual Performance Plan
3 May 2022	the dtic briefing with Deputy Ministers – status of SEZs and industrial parks
4 May 2022	Committee discussion – the dtic Budget 2022/2023: Committee report [first draft]
6 May 2022	Copyright Amendment Bill – the dtic with Deputy Minister, and the Parliamentary Legal Advisor: Response to public submissions
10 May 2022	the dtic briefing by the Minister and Deputy Minister – engagement with stakeholders on implementation of the South African Sugar Value Chain Master Plan
11 May 2022	Briefing by the dtic with the Deputy Minister; and input by the Parliamentary Legal Advisors – Copyright and Performers' Protection Amendment Bills; and committee discussion – committee report on the dtic Budget [consideration]
17 May 2022	Committee – Copyright and Performers' Protection Amendment Bills: Deliberations; and process regarding the appointment of NLC chairperson
18 May 2022	Committee – Copyright and Performers' Protection Amendment Bills: Deliberations
24 May 2022	the dtic briefing on Q4 performance 2021/22; and committee discussion – NLC chairperson shortlisting
25 May 2022	Committee – Copyright and Performers' Protection Amendment Bills: Deliberations; and committee discussion – oversight report
31 May 2022	Briefing by ITAC – Q4 performance 2021/22; and committee discussion – oversight report [adoption]
7 June 2022	the dtic briefing by the Minister – implementation of the R-CTFL Value Chain Master Plan; and engagement with stakeholders
8 June 2022	Committee – Copyright and Performers' Protection Amendment Bills: Adoption

the dtic Parliamentary Meetings of the Portfolio Committee on Trade, Industry and Competition April 2022 to March 2023

Date	Meeting title
10 June 2022	Committee discussion – Copyright and Performers' Protection Amendment Bills: Committee reports
23 Aug 2022	the dtic briefing by the Minister and Deputy Minister – draft policy on scrap metal
24 Aug 2022	Committee discussion – committee report on the dtic Q4 performance 2021/22 [adoption]
30 Aug 2022	the dtic briefing by the Minister and Deputy Minister – appointment of the B-BBEE Commissioner; and implementation of relief programmes following 2021 unrest, and recent floods in 2022
31 Aug 2022	Briefing by the dtic and the Deputy Minister – engagement with the downstream sugar industry on possibilities and challenges to sugar beneficiation (food and beverages sectors)
6 Sep 2022	the dtic briefing – initiative to reduce red-tape and update on the roll-out of provincial one-stop shops
7 Sep 2022	Briefing by the dtic , with the Deputy Minister; and by the IDC and the NEF – funding application and adjudication processes as well as aftercare services
13 Sep 2022	the dtic briefing – implementation and review of the dtic legislation
21 Sep 2022	Briefing by the Limpopo Economic Development and Tourism Department – development and plans for the Musina-Makhado SEZ; and briefing by the Limpopo Development Agency – development and plans for the Seshego and Nkowankowa industrial parks
27 Sep 2022	the dtic briefing by the Minister; the Special Investigating Unit (SIU); and the Board of the NLC – follow-up meeting on the investigation into allegations of maladministration and corruption at the commission; and introduction of the NLC chairperson and Board
28 Sep 2022	the dtic briefing by the Minister – implementation of South African Furniture Industry Master Plan; engagement with stakeholders; and committee discussion – committee programme
11 Oct 2022	the dtic briefing by the Minister – Annual Report 2021/22; and briefing by the Office of the Auditor-General (AGSA) – audit outcomes of the dtic 2021/22
12 Oct 2022	Briefing by the dtic , IDC and NEF; the Mpumalanga Department of Economic Development and Tourism; and the Mpumalanga Economic Growth Agency – follow-up engagement on the Ekandustria Industrial Park and the Nkomazi SEZ
25 Oct 2022	Briefing by the NGB – Annual Report 2021/22 and Q1 performance 2022/23
26 Oct 2022	Briefing by the NLC – Annual Report 2021/22 and Q1 performance 2022/23
1 Nov 2022	the dtic briefing by the Minister – the dtic Q1 and Q2 Performance 2022/23
2 Nov 2022	Briefing by the NRCS and SABS – Annual Report 2021/22 and Q1 performance 2022/23; and briefing by the Office of the AGSA concerning an update on SABS
8 Nov 2022	Committee discussion – draft Budgetary Review and Recommendations Report (BRRR) for the dtic and its entities [consideration]
9 Nov 2022	Briefing by the CIPC and ITAC – Annual Report 2021/22 and Q1 performance 2022/23

the dtic Parliamentary Meetings of the Portfolio Committee on Trade, Industry and Competition April 2022 to March 2023

Date	Meeting title
15 Nov 2022	the dtic briefing by the Minister – WTO engagements; and outcomes of the Black Industrialists and Exporters Conference
16 Nov 2022	Briefing by the NMISA and SANAS – Annual Report 2021/22 and Q1 performance 2022/23; and committee discussion – Budget Review and Recommendations Report (BRRR) on the dtic [adoption]
22 Nov 2022	Briefing by the Free State MEC for Economic, Small Business Development, Tourism, and Environmental Affairs – status of implementing the Maluti-A-Phofung SEZ; and briefing by the Free State Economic Development Agency – status of the Botshabelo and Phuthaditjhaba industrial parks
23 Nov 2022	Briefing by the NCC – Annual Report 2021/22 and Q1 performance 2022/23
29 Nov 2022	the dtic briefing by the Minister – implementation of SA Poultry Sector Master Plan; and stakeholder engagement
15 Feb 2023	Briefing by the Companies Tribunal and ECIC – Q1 and Q2 performance 2022/23
21 Feb 2023	Briefing by the SABS – update on implementation of turnaround strategy
22 Feb 2023	Briefing by the NEF – Q1 and Q2 performance 2022/23
28 Feb 2023	Briefing by the IDC – Q1 and Q2 performance 2022/23
7 Mar 2023	Briefing by the Competition Commission and Competition Tribunal – Q1 and Q2 performance 2022/23
8 Mar 2023	Briefing by the dtic , with the Deputy Minister; the NCR and NCT – Q1 and Q2 performance 2022/23
14 Mar 2023	the dtic briefing by the Minister – trade negotiations and relations; and the dtic Q3 performance 2022/23
15 Mar 2023	Briefing by the NLC – Q2 and Q3 performance 2022/23
29 Mar 2023	Committee discussion – oversight report; and status regarding a study tour to South Korea

Tabled committee reports linked to BRRR

1. Report of the Portfolio Committee on Trade and Industry on Budget Vote 39: Trade, Industry and Competition, tabled 12 May 2022
2. Report of the Portfolio Committee on Trade and Industry on the Department of Trade, Industry and Competition's Fourth Quarter Financial and Non-Financial Performance for the 2021/22 Financial Year, tabled 2 September 2022
3. Budgetary Review and Recommendation Report of the Portfolio Committee on Trade, Industry and Competition, tabled 16 November 2022

8. SCOPA RESOLUTIONS

No resolutions from SCOPA.

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

No prior modifications to audit reports.

10. INTERNAL CONTROL UNIT

Systems of internal control are designed to provide cost-effective assurance that assets are safeguarded, and that liabilities and working capital are efficiently and effectively managed.

In line with the PFMA and King IV, the Internal Audit Unit provides the Audit Committee and management with the assurance that internal controls are appropriate and effective. This is achieved by means of an appropriate quarterly reporting process, as well as the identification of corrective actions and suggested enhancements to controls and processes. The RMC monitors and oversees the control of risk areas throughout **the dtic**.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

The mission of the Internal Audit Unit is to provide independent, objective, assurance and consulting services that are designed to add value and improve **the dtic's** operations. The Internal Audit Unit assists the department in achieving its strategic objectives by providing a systematic and disciplined approach to evaluate and improve the effectiveness of **the dtic's** risk management, internal control, and governance processes. Internal Audit activities consist of four specialist areas, namely compliance, performance audit, IT audit, and forensic audit.

The Internal Audit Unit continued to increase its audit coverage in line with identified risks, and performed more specialist audits and investigations in areas such as performance, IT and forensic audit. The majority of the audits focused on incentive administration. Furthermore, Internal Audit audited the APP targets (performance information) per quarter for 11 branches (cumulative total of 154 APP targets).

The Internal Audit Unit assisted **the dtic** and certain of its entities to improve internal and risk management controls, and corporate governance processes. PWC rendered co-sourced specialist audit services. A panel of co-sourced forensic firms was appointed to assist with certain forensic assignments during the 2022/23 financial year.

For the reporting period under review, the Internal Audit Unit spent an estimated 13 000 direct hours (including in-house forensic investigations of 4 500 hours) on audit work at **the dtic**. During the period, various internal audit reports and forensic audit reports were issued to management and presented to the Audit Committee as at the end of March 2023.

In line with sections 38 (1) (a) (ii) and 77 of the PFMA, as well as relevant provisions of the Treasury Regulations, an Audit Committee has been established with five independent members who have sufficient qualifications and experience to render the services associated with the Audit Committee function. During the year under review, five Audit Committee meetings were held. Four of the previous Audit Committee members were re-appointed on 1 April 2022 for a period of two years, ending March 2024, and a fifth new member was appointed on 1 September 2022. The Acting Director-General attended all five Audit Committee meetings as an executive member.

In line with section 38 (1) (a) (ii) of the PFMA, the department maintains a system of internal audit under the control and direction of a statutory committee, the Audit Committee. This committee performs an oversight role and operates in terms of its Charter. The Audit Committee operates in an

objective and independent role, providing an oversight function by making recommendations to the Accounting Officer for approval or final decision. The Accounting Officer maintains the responsibility for implementing such recommendations. In line with the PFMA and Treasury Regulations, the Audit Committee's responsibilities include:

- Monitoring the scope and effectiveness of the internal audit function in the department.
- Acting in an advisory capacity to the Accounting Officer.
- Reviewing items highlighted by Internal Auditors and the AGSA, in order to provide the necessary assistance to the Director-General and/or executive authority.

The Audit Committee is neither expected to execute management functions nor responsibilities. In line with the Audit Committee Charter, the Audit Committee discharges other responsibilities relating to the following areas:

- Risk management
- Financial management and other reporting practices
- Internal control and internal audit
- IT (IT governance)
- External audit
- Integrated assurance

Attendance of Audit Committee meetings by Audit Committee members

The table below discloses relevant information on the audit committee members.

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date resigned	No. of meetings attended
Ms Simangele Sekgobela	MSc Economics; BCom Hons in Economics; B Com; Certificate in Corporate Governance; Senior Secondary Teacher's Certificate; Executive Leadership Programme Certificate	External (chairperson)	N/A	01/04/2022	N/A	5

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date resigned	No. of meetings attended
Dr Prittish Dala	PhD (IT); M.IT; BSc Hons in Computer Science; B.IT; CISA; CISM; CISSP; CRISC; CGEIT; CEH; CHFI; LA27001	External	N/A	01/04/2022	N/A	5
Dr DP van der Nest	D. Tech (Internal Auditing); M. Com (Development Economics); B. Com Hons Economics; Higher Education Diploma (H.E.D); B. Com (Accountancy)	External	N/A	01/04/2022	N/A	5
Ms S Makhathini	CA (SA), Post grad Diploma in Accounting Science; B Compt (Hons); Accounting Science with Certificate of Theory in Accounting (CTA); B Com Accounting	External	N/A	01/04/2022	N/A	5
Adv. Vishaal Bhimma	LLB; FPSA	External	N/A	01/09/2022	N/A	2

12. AUDIT COMMITTEE REPORT

Audit Committee Responsibility

In line with its strategic commitment to remain a well-governed national department, **the dtic** strives for effective oversight and monitoring of its governance regime. Vital to the achievement of this aim is a competent and independent Audit Committee. We are pleased to present our report for the financial year ended 31 March 2023.

The Audit Committee reports that it has complied with its responsibilities arising from section 38 (1) (a) (ii) of the PFMA and Treasury Regulation 3.1.10 and 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this Charter, and has discharged all its responsibilities as contained therein. The committee formalised an annual work plan that monitors its progress against its responsibilities.

For the financial year ended 31 March 2023, the Audit Committee conducted separate meetings with the assurance providers and reviewed the following:

- Quarterly financial and performance reports
- Quarterly reports from all the branches
- Unaudited annual financial statements before submission to the AGSA
- Annual financial statements after the AGSA review
- The appropriateness of accounting policies and procedures
- The assessment of the Office of the Chief Financial Officer
- The effectiveness of the risk management system
- Compliance with relevant laws and regulations
- IT governance and its systems
- The annual performance review prior to submission to the AGSA and before final publication
- The plans, work and reports of Internal Audit and the AGSA
- The Internal Audit three-year rolling, coverage and operational plans
- The Internal Audit reports and outcomes
- The AGSA management report, final audit report, and audit opinion.

During the year under review, five Audit Committee meetings were held. The table below discloses information on the Audit Committee members:

Name	Internal or external	Position	No. of meetings attended
Ms Simangele Sekgobela	External	Chairperson	5
Dr Prittish Dala	External	Member	5
Prof. DP van der Nest	External	Member	5
Adv Vishaal Bhimma	External	Member	2
Ms Sijabulile Makhathini	External	Member	5
Ms Malebo Mabitje-Thompson	Internal	Standing invitee (ADG)	1
Mr Shabeer Khan	Internal	Standing invitee (ADG)	4

Effectiveness of Internal Control

The systems of internal control are designed to provide assurance that assets are safeguarded, and liabilities and working capital are efficiently managed. The Audit Committee has considered the work performed by the Internal Audit on a quarterly basis, and tracked outstanding audit findings.

In line with the PFMA, Internal Audit provides the Audit Committee and management with the assurance that internal controls are adequate and effective. This is achieved by means of quarterly reporting, and the identification of corrective actions and suggested enhancements to the controls and processes.

The review of the Internal Audit findings, which were based on the risk assessments conducted, revealed certain control weaknesses, which were then raised with management.

The following Internal Audit work completed during the year under review consists of 95 audit reports and memoranda in the following categories:

Type of audit	Number	Frequency
Compliance audits	5	
Performance audits	6	
IT audits	4	
PI audits (11 divisions)	55	Quarterly
Follow-ups:		
Compliance audits	13	
Performance audits	7	
IT audits	5	
Total	95	

The following list contains areas of concern. The controls or processes required improvement.

- Monitoring and review of certain incentive projects
- Resource constraints within certain branch units
- Weaknesses in the HR leave processes
- ICT governance

In-Year Management and Monthly/Quarterly Reports

The department has been reporting monthly and quarterly to the National Treasury, as required by the PFMA.

Evaluation of Financial Statements

We have reviewed the annual financial statements prepared by the department. The Audit Committee had the opportunity to review the final annual financial statements before and after the AGSA review, and discussed them with management. The AC noted the following:

- Assurance provided by management in terms of financial status, fair representation, state of the control environment and quality assurance processes in relation to the audited annual financial statements.
- Accounting policies and practices applied were appropriate.
- The Audit Committee is satisfied that, based on accounting conventions, the financial statements reflect a well-run organisation.
- Management implementation of internal and external audit findings are taken seriously and there is commitment in taking the appropriate corrective actions.

The Audit Committee wishes to congratulate the Acting Director-General and the management team on their continued commitment to the improvement of the internal control environment of **the dtic**. The Audit Committee notes the clean audit report from the AGSA.

Resolution of Internal Control Weaknesses

The follow-up Internal Audit processes indicated that management is instituting adequate corrective actions to address the control weaknesses identified. The Audit Committee is of the view that management is appropriately balancing delivery and continuous improvement.

Integrated Assurance

The Audit Committee reviewed the plans and reports of the AGSA, Internal Audit, management and other assurance providers, and concluded that these were adequate to address any significant financial risks facing the business.

Internal Audit Effectiveness

Internal Audit forms part of the third line of defence as set out in the Integrated Assurance Strategy, and engages with the first and second lines of defence to facilitate the escalation of any key control breakdowns.

The Internal Audit branch has a functional reporting line to the Audit Committee (via the chairperson) and an administrative reporting line to the Acting Director-General.

The Audit Committee receives quarterly reports from Internal Audit and assesses the effectiveness of the Internal Audit function.

The Audit Committee monitored and challenged, where appropriate, actions taken by management to clear significant Internal Audit findings.

The Audit Committee has overseen a process by which Internal Audit has performed audits according to a risk-based audit approach. It evaluated the adequacy and effectiveness of risk management and internal controls.

The Audit Committee is satisfied with the independence and effectiveness of the Internal Audit function.

Performance Information

The performance information fairly reflects the operations and actual output against planned targets for performance indicators as per the APP of **the dtic** for the financial year ended 31 March 2023.

The performance information has been reported on in accordance with the guidelines on annual reports issued by National Treasury. A system of internal control has been designed to provide reasonable assurance as to the 'integrity and reliability' of the performance information. This includes the quarterly auditing of all APP targets by Internal Audit. An action plan has also developed by management to address the issues raised by the AGSA and Internal Audit that relate to the reporting of performance information.

Risk Management

A separate RMC monitors and oversees the control of risk identification throughout **the dtic**. One of the independent Audit Committee members represents the Audit Committee as chairperson during quarterly RMC meetings.

The department assessed strategic, operational and emerging risks that could negatively impact the achievement of its objectives. Risks were prioritised based on likelihood and impact (inherently and residually). Mitigations were implemented to reduce risks to acceptable levels. New and emerging risks were identified in line with the department's APP.

Information Communications Technology

A separate ICT Steering Committee monitors and oversees the governance of ICT throughout the **dtic**. One of the independent Audit Committee members represents the Audit Committee as the chairperson during quarterly ICT Steering Committee meetings.

In executing its oversight responsibilities relating to ICT governance (strategic alignment, and risk, resource, performance and value management), ICT compliance, critical ICT projects and cyber security, the ICT Steering Committee has provided several recommendations to continue to improve the ICT control environment.

Governance and Ethics

the dtic has adopted the Public Sector Corporate Governance Framework. The Audit Committee continues to monitor the key governance interventions of **the dtic**.

There is a focus to embed further enhancements of awareness and understanding of ethics at all levels within **the dtic**. The Ethics Committee has been re-established, and redrafted its terms of reference, and strategy and policies for the year ahead.

the dtic requires that all members of SMS, levels 9 to 12 managers, and officials in the Finance Unit to complete a financial disclosure declaration on an annual basis.

The Audit Committee initiated the assessment of the Office of the Chief Financial Officer by Internal Audit, as per the Public Sector Audit Committee Forum guidelines.

Conclusion

The Audit Committee is satisfied with the continuing progress made by **the dtic** in improving on the areas outlined in this report. Management is committed to good governance and a clean administration.

The Audit Committee noted no significant non-compliance with prescribed policies and procedures. From observations and analyses of reports presented to the Audit Committee by management and assurance providers, the Audit Committee concludes that internal control systems tested were adequate and materially effective for most areas. The Audit Committee did, however, take note of concerns relating to senior executive posts that were still in an acting capacity.

The Audit Committee wishes to express its appreciation to the Acting Director-General, **the dtic** management, the AGSA, and Internal Audit, who supported the committee in performing its functions effectively.



Ms S Sekgobela

Chairperson of the Audit Committee

Date: 31 July 2023

13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the B-BBEE requirements of the B-BBEE Act of 2013 and as determined by **the dtic**.

Has the department/public entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes/No	Discussion
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	YES	The department issue or renewed liquor trading licences to businesses through the National Liquor Authority, which have embedded B-BBEE requirements in line with Section 10 of the B-BBEE Act. During the financial year under review, all licence applicants/holders that were issued or renewed submitted their B-BBEE compliance certificates.
Developing and implementing a preferential procurement policy?	YES	Following the court order that an organ of state must determine its preferential procurement policy and implement it within the framework determined in the Act based on the 90/10 and 80/20 principles, the department developed an interim preferential procurement policy that incorporates B-BBEE. In all its bids and tenders, the dtic complied with section 10 of the B-BBEE Act and the PPPFA, and its internal preferential procurement policy.
Determining qualification criteria for the sale of state-owned enterprises?	N/A	
Developing criteria for entering into partnerships with the private sector?	N/A	
Determining criteria for the awarding of incentives, grants and investment schemes in support of B-BBEE?	YES	All incentives issued by the dtic are compliant with section 10 of the B-BBEE Act. Their guidelines stipulate the B-BBEE requirements and level of transformation objectives. Further information on the spend of each of the incentives of the department during the financial year is included in the Annual Report.





PART D

Human Resource Management

1. INTRODUCTION

The information contained in this part of the annual report has been prescribed by the Minister for the Public Service and Administration for all departments in the public service.

2. OVERVIEW OF HUMAN RESOURCES

The current structure of **the dtic** provides for 1 350 approved positions, of which 1 113 were filled and 237 were vacant as at 31 March 2023. Sixty-five posts have been identified as priority posts to be filled and the remainder of the vacancies will be abolished during Q1 of the 2023/24 financial year to provide for the implementation of the Fit-for-Purpose structure. The reduction of the vacancy rate amid the challenges in the compensation of employees budget is still an important focus area, as only critical positions are being filled. The turnover was calculated at 9.6%, which translates to a retention rate of 90.4%. The main reason cited for officials leaving the department is for opportunities for career development.

The status of people with a disability is 4.2% and that of women in senior management 55%, which both exceed the Cabinet and departmental targets.

The automated performance management and development system is a crucial tool utilised by the department's management to ensure adherence to established service standards. These standards serve as the foundation for performance agreements, and enable effective monitoring of performance. The department has established corrective measures to address non-compliance with submitting performance agreements. As of March 2023, the completion status of senior management's performance agreements was 97%, demonstrating a well-managed performance management system.

As a knowledge-based department, learning, skills development, information management, automation and innovation are critical for the effective delivery of departmental programmes and services. Various training programmes were identified and implemented to address these critical areas. In total, 479 employees participated in planned and unplanned training interventions, information and capacity-building sessions, workshops, seminars and conferences. In addition, the department supported the development of its employees through the bursary programme, with 176 obtaining formal qualifications (three certificates, eight advanced diplomas, 72 undergraduates, 43 postgraduate/honours, 39 master's and 11 PhDs).

The department continued to support its employees with regard to health-related matters and counselling services through the well-established Wellness Centre interventions. **the dtic** supports a healthy working relationship with organised labour with a view to promote good relations with employees. Various consultations have taken place at the Departmental Bargaining Chamber and will continue in future.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1. Personnel-related expenditure

The following tables summarises the final audited personnel-related expenditure by programme and salary bands. In particular, it provides an indication of the following:

- Amount spent on personnel
- Amount spent on salaries, overtime, homeowner allowances and medical aid.

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2022 to 31 March 2023

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	759 928	305 468	1 011	8 257	40.20%	752
Trade Policy	222 660	80 408	0	127	36.11%	914
Spatial Industrial Development	146 928	75 109	0	5 276	51.12%	927
Sectors	1 730 513	103 986	0	1 981	6.01%	867
Consumer and Corporate Regulation	331 511	56 370	0	168	17.00%	817
Industrial Financing	5 363 087	142 010	0	7 304	2.65%	772
Exports	397 829	185 586	0	77	46.65%	1 521
Invest South Africa	56 293	43 873	0	0	77.94%	798
Competition Policy	1 741 447	18 479	0	0	1.06%	973
Economic Research	48 237	35 144	0	7 414	72.86%	837
Total	10 798 433	1 046 433	1 011	30 604	9.69%	882

Table 3.1.2 Personnel costs by salary band for the period 1 April 2022 to 31 March 2023

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (levels 1-2)	212	0.0%	1	209
Skilled (levels 3-5)	37 384	3.6%	120	307
Highly skilled production (levels 6-8)	183 799	17.6%	346	523
Highly skilled supervision (levels 9-12)	503 558	48.1%	505	981
Senior and top management (levels 13-16)	321 480	30.7%	214	1 479
Total	1 046 433	100.0%	1 186	882

Table 3.1.3 Salaries, overtime, homeowners allowance and medical aid by programme for the period 1 April 2022 to 31 March 2023

Programme	Salaries		Overtime		Homeowners allowance		Medical aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	206 334	67.5%	1 952	0.6%	5 007	1.6%	11 278	3.7%
Trade Policy	54 265	67.5%	0	0.0%	707	0.9%	2 187	2.7%
Spatial Industrial Development	50 305	67.0%	47	0.1%	948	1.3%	2 037	2.7%
Sectors	70 137	67.4%	0	0.0%	1 217	1.2%	2 064	2.0%
Consumer and Corporate Regulation	38 602	68.5%	0	0.0%	514	0.9%	1 578	2.8%
Industrial Financing	97 719	68.8%	25	0.0%	2 078	1.5%	4 979	3.5%
Exports	67 244	36.2%	0	0.0%	1 370	0.7%	3 064	1.7%
Invest South Africa	30 031	68.4%	4	0.0%	395	0.9%	1 057	2.4%
Competition Policy	12 802	69.3%	0	0.0%	200	1.1%	374	2.0%
Economic Research	22 892	65.1%	0	0.0%	168	0.5%	853	2.4%
Total	650 331	62.1%	2 028	0.2%	12 604	1.2%	29 471	2.8%

Table 3.1.4 Salaries, overtime, homeowners allowance and medical aid by salary band for the period 1 April 2022 to 31 March 2023

Salary band	Salaries		Overtime		Homeowners allowance		Medical aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (levels 1-2)	105	49.3%	0	0.0%	19	8.9%	27	12.8%
Skilled (levels 3-5)	12 768	34.2%	99	26.5%	1 240	3.3%	1 738	4.6%
Highly skilled production (levels 6-8)	99 085	53.9%	906	49.3%	6 184	3.4%	12 745	6.9%
Highly skilled supervision (levels 9-12)	305 982	60.8%	1 023	20.3%	4 634	0.9%	11 740	2.3%
Senior management (levels 13-16)	232 391	72.3%	0	0.0%	527	0.2%	3 220	1.0%
Total	650 331	62.1%	2 028	0.2%	12 604	1.2%	29 471	2.8%

3.2. Employment and vacancies

Table 3.2.1 Employment and vacancies by programme as at 31 March 2023

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to the establishment
Administration	466	386	17.2%	8
Trade Policy	95	83	12.6%	2
Investment and Spatial Industrial Development	105	75	28.6%	4
Sectors	142	114	19.7%	3
Consumer and Corporate Regulation	71	62	12.7%	5
Industrial Financing	195	174	10.8%	5
Exports	142	115	19.0%	3
Invest SA	59	48	18.6%	5
Competition Policy	26	16	38.5%	2
Economic Research	49	40	18.4%	1
Total	1350	1113	17.6%	38

Table 3.2.2 Employment and vacancies by salary band as at 31 March 2023

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to the establishment
Lower skilled (1-2)	1	1	0.0%	0
Skilled (3-5)	73	57	21.9%	31
Highly skilled production (6-8)	398	346	13.1%	0
Highly skilled supervision (9-12)	609	500	17.9%	4
Senior management (13-16)	269	209	22.3%	3
Total	1350	1113	17.6%	38

Table 3.2.3 Employment and vacancies by critical occupations as at 31 March 2023

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative related, permanent	173	153	11.6%	32
Cleaners in offices, workshops, hospitals etc., permanent	1	1	0.0%	0
Communication and information related, permanent	7	5	28.6%	0
Economists, permanent	6	6	0.0%	0
Finance and economics related, permanent	52	43	17.3%	0
Financial and related professionals, permanent	12	9	25.0%	0
Financial clerks and credit controllers, permanent	4	3	25.0%	0
Food services aids and waiters, permanent	12	12	0.0%	0
General legal administration and related professionals, permanent	3	2	33.3%	0
Head of department/chief executive officer, permanent	1		100.0%	0
Household and laundry workers	6	3	50.0%	0
Human resources and organisational development and related professionals, permanent	1	1	0.0%	0
Human resources clerks, permanent	5	4	20.0%	0
Human resources related, permanent	43	37	14.0%	0
Information technology related, permanent	29	26	10.3%	0
Legal related, permanent	11	7	36.4%	0
Library, mail and related clerks, permanent	19	15	21.1%	0
Light vehicle drivers, permanent	8	8	0.0%	0
Logistical support personnel, permanent	25	20	20.0%	0
Messengers, porters and deliverers, permanent	5	2	60.0%	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Other administrative and related clerks and organisers, permanent	29	22	24.1%	0
Other information technology personnel	3	3	0.0%	0
Other occupations, permanent	4	2	50.0%	0
Risk management and security services, permanent	0	0	0%	0
Secretaries and other keyboard operating clerks, permanent	126	113	10.3%	0
Security officers, permanent	18	15	16.7%	0
Senior managers, permanent	270	209	22.6%	3
Statisticians and related professionals, permanent	1	1	0.0%	0
Trade and industry advisers and other related professionals, permanent	476	391	17.9%	3
Total	1350	1113	17.6%	38

3.3. Filling of SMS posts

The tables in this section provide information on employment and vacancies as it relates to members of the SMS by salary level. It also provides information on advertising and filling of SMS posts, reasons for not complying with prescribed timeframes and disciplinary steps taken.

Table 3.3.1 SMS post information as at 31 March 2023

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	0	0.0%	1	100%
Salary level 16	3	1	33.3%	2	0%
Salary level 15	13	7	53.8%	6	46.2%
Salary level 14	71	58	81.7%	13	18.8%
Salary level 13	181	143	79.0%	38	21.0%
Total	269	209	77.7%	60	22.3%

Table 3.3.2 SMS post information as at 30 September 2022

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	0	0.0%	1	100.0%
Salary level 16	3	1	33.3%	2	0.0%
Salary level 15	13	9	69.2%	4	30.8%
Salary level 14	71	58	81.7%	13	18.3%
Salary level 13	181	149	82.3%	32	17.7%
Total	269	217	80.7%	52	19.3%

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2022 to 31 March 2023

SMS Level	Advertising	Filling of posts	
	Number of vacancies per level advertised within six months of becoming vacant	Number of vacancies per level filled within six months of becoming vacant	Number of vacancies per level not filled within six months, but filled within 12 months of becoming vacant
Director-General/ Head of Department	0	0	0
Salary level 16	0	0	0
Salary level 15	1	0	0
Salary level 14	1	0	0
Salary level 13	5	2	2
Total	7	2	2

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within six months and filled within 12 months of becoming vacant for the period 1 April 2022 to 31 March 2023

Reasons for vacancies not advertised within six months

The reason for not advertising vacant positions within a six-month period is attributed to the delay caused by the reduction in the cost of employment (CoE), which leads to vacancies not being advertised while priorities are being reviewed.

Reasons for vacancies not filled within 12 months

Five SMS posts were filled outside of the 12-month period. These are posts that were vacant and only confirmed as priority posts in 2022. All five posts were filled within five months of being advertised.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2022 to 31 March 2023

Reasons for vacancies not advertised within six months
Not applicable

Reasons for vacancies not filled within six months
Not applicable

3.4. Job evaluation

Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in their organisation. In terms of the regulations, all vacancies on salary levels nine and above must be evaluated before they are filled. The following table summarises the number of jobs evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 3.4.1 Job evaluation by salary band for the period 1 April 2022 to 31 March 2023

Salary band	Number of posts on approved establishment	Number of jobs evaluated	% of posts evaluated by salary bands	Posts upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (levels 1-2)	1	0	0%	0	0	0	0
Skilled (levels 3-5)	73	0	0%	0	0	0	0
Highly skilled production (levels 6-8)	398	0	0%	0	0	0	0
Highly skilled supervision (levels 9-12)	609	0	0.0%	0	0	0	0
Senior management service Band A	181	0	0%	0	0	0	0
Senior management service Band B	71	0	0%	0	0	0	0
Senior management service Band C	13	0	0%	0	0	0	0
Senior management service Band D	4	1	0%	0	0	0	0
Total	1350	1	0.1%	0	0	0	0

The following table provides a summary of the number of employees whose positions were upgraded due to their post being upgraded. The number of employees might differ from the number of posts upgraded, since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2022 to 31 March 2023

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0

Employees with a disability	0
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The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2022 to 31 March 2023

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Administrative related	1	6	7	Out of adjustment (FERs), grade progression, JE, grievance settlement and retention
Administrative related	4	7	8	
Administrative related	1	7	9	
Administrative related	1	7	10	
Administrative related	1	8	9	
Administrative related	1	8	10	
Administrative related	2	9	10	
Administrative related	2	10	11	
Administrative related	10	11	12	
Administrative related	2	11	13	
Communication and information related	1	8	9	
Finance and economics related	1	6	7	
Finance and economics related	1	6	8	
Finance and economics related	2	8	9	
Human resources related	1	8	10	
Human resources related	2	9	10	
Human resources related	3	11	12	

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Information technology related	3	6	8	Out of adjustment (FERs), grade progression, JE, grievance settlement and retention
Information technology related	1	9	12	
Library mail and related clerks	1	6	8	
Light vehicle drivers	1	4	6	
Logistical support personnel	2	6	7	
Logistical support personnel	1	11	13	
Other administrate and related clerks and organisers	1	6	7	
Other administrate and related clerks and organisers	1	10	12	
Other information technology personnel.	1	9	10	
Secretaries and other keyboard operating clerks	6	7	8	
Secretaries and other keyboard operating clerks	1	8	9	
Secretaries and other keyboard operating clerks	1	9	10	
Security officers	1	6	7	
Security officers	1	7	9	
Security officers	1	11	12	
Senior managers	3	13	14	
Senior managers	2	14	15	
Trade/industry advisers and other related profession	1	8	9	
Trade/industry advisers and other related profession	1	8	12	
Trade/industry advisers and other related profession	4	9	10	
Trade/industry advisers and other related profession	4	10	11	
Trade/industry advisers and other related profession	1	10	12	
Trade/industry advisers and other related profession	2	10	13	
Trade/industry advisers and other related profession	10	11	12	
Trade/industry advisers and other related profession	7	11	13	

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Trade/industry advisers and other related profession	2	11	14	
Trade/industry advisers and other related profession	3	12	13	
Total	99	-	-	
Total number of employees whose salaries exceeded the level determined by job evaluation				99
Percentage of total employed				9%

The following table summarises the beneficiaries of the above in terms of race, gender, and disability.

Table 3.4.4 Profile of employees with salary levels higher than those determined by job evaluation for the period 1 April 2022 to 31 March 2023

Gender	African	Asian	Coloured	White	Total
Female	34	3	5	10	52
Male	38	1	5	3	47
Total	72	4	10	13	99

Employees with a disability	2	0	2	2	6
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Total number of employees whose salaries exceeded the grades determined by job evaluation	Not applicable
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3.5. Employment changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band and critical occupations (see definition in notes below).

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2022 to 31 March 2023

Salary band	Number of employees at beginning of period -1 April 2022	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (levels 1-2)	1	0	0	0.0%
Skilled (levels 3-5)	104	33	47	45.2%
Highly skilled production (levels 6-8)	357	2	14	3.9%
Highly skilled supervision (levels 9-12)	532	7	33	6.2%

Salary band	Number of employees at beginning of period -1 April 2022	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Senior management service Bands A	155	1	15	9.7%
Senior management service Bands B	61	4	5	8.2%
Senior management service Bands C	10	0	2	20.0%
Senior management service Bands D	1	1	1	0.0%
Total	1221	48	117	9.6%

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2022 to 31 March 2023

Critical occupation	Number of employees at beginning of period - April 2022	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative related, permanent	200	36	49	24.5%
Cleaners in offices, workshops, hospitals etc., permanent	1	0	0	0.0%
Communication and information related, permanent	6	0	2	33.3%
Economists, permanent	10	0	0	0.0%
Finance and economics related, permanent	48	0	4	8.3%
Financial and related professionals, permanent	10	0	1	10.0%
Financial clerks and credit controllers, permanent	3	0	0	0.0%
Food services aids and waiters, Permanent	12	0	0	0.0%
General legal administration and related professionals, permanent	2	0	0	0.0%
Head of department/chief executive officer, permanent	0	0	0	0.0%
Household and laundry workers	3	0	0	0.0%
Human resources and organisational development and related professionals, permanent	1	0	0	0.0%

Critical occupation	Number of employees at beginning of period - April 2022	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Human resources clerks, permanent	4	0	0	0.0%
Human resources related, permanent	38	0	2	5.3%
Information technology related, permanent	27	0	1	3.7%
Legal related, permanent	13	0	1	7.7%
Librarians and related professionals, permanent	0	0	0	0.0%
Library, mail and related clerks, permanent	15	0	0	0.0%
Light vehicle drivers, permanent	7	0	0	0.0%
Logistical support personnel, permanent	20	0	0	0.0%
Messengers, porters and deliverers, permanent	3	0	0	0.0%
Other administrative and related clerks and organisers, permanent	27	0	6	22.2%
Other information technology personnel	3	0	1	33.3%
Other occupations, permanent	2	0	0	0.0%
Secretaries and other keyboard operating clerks, permanent	115	1	3	2.6%
Security officers, permanent	15	0	0	0.0%
Senior managers, permanent	215	6	20	9.3%
Statisticians and related professionals, permanent	2	0	1	50.0%
Trade and industry advisers and other related professionals, permanent	419	5	26	6.2%
Total	1221	48	117	9.6%

The table below identifies the major reasons why staff left the department.

Table 3.5.3 Reasons why staff left the department for the period 1 April 2022 to 31 March 2023

Termination type	Number	% of total resignations
Death	1	0.9%
Resignation	59	50.4%
Expiry of contract	43	36.8%
Dismissal – operational changes	0	0%
Dismissal – misconduct	0	0%
Dismissal – inefficiency	0	0%
Discharged due to ill-health	0	0%
Retirement, permanent	9	7.7%
Early retirement	2	1.7%
Transfer to other public service departments	3	2.6%
Total	117	100%
Total number of employees who left as a % of total employment	10.2%	

Table 3.5.4 Promotions by critical occupation for the period 1 April 2022 to 31 March 2023

Occupation	Employees 1 April 2022	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative related, permanent	200	4	2.0%	114	57%
Cleaners in offices, workshops, hospitals etc., permanent	1	0	0.0%	1	100%
Communication and information related, permanent	6	0	0.0%	2	33%
Economists, permanent	10	0	0.0%	7	70%
Finance and economics related, permanent	48	1	2.1%	43	90%
Financial and related professionals, permanent	10	0	0.0%	10	100%
Financial clerks and credit controllers, permanent	3	0	0.0%	2	67%

Occupation	Employees 1 April 2022	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Food services aids and waiters, permanent	12	0	0.0%	2	17%
General legal administration and related professionals, permanent	2	0	0.0%	0	0%
Head of department/ chief executive officer, permanent	0	0	0.0%	0	0%
Household and laundry workers	3	0	0.0%	0	0%
Human resources and organisational development and related professionals, permanent	1	0	0.0%	1	100%
Human resources clerks, permanent	4	0	0.0%	5	125%
Human resources related, permanent	38	0	0.0%	27	71%
Information technology related, permanent	27	0	0.0%	18	67%
Legal related, permanent	13	0	0.0%	4	31%
Librarians and related professionals, permanent	0	0	0.0%	0	0%
Library, mail and related clerks, permanent	15	0	0.0%	13	87%
Light vehicle drivers, permanent	7	0	0.0%	3	43%
Logistical support personnel, permanent	20	0	0.0%	14	70%
Messengers, porters and deliverers, permanent	3	0	0.0%	1	33%
Other administrative and related clerks and organisers, permanent	27	0	0.0%	11	41%
Other information technology personnel	3	0	0.0%	1	33%
Other occupations, permanent	2	0	0.0%	0	0%

Occupation	Employees 1 April 2022	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Secretaries and other keyboard operating clerks, permanent	115	1	0.9%	80	70%
Security officers, permanent	15	0	0.0%	10	67%
Senior managers, permanent	215	0	0.0%	130	60%
Statisticians and related professionals, permanent	2	0	0.0%	1	50%
Trade and industry advisers and other related professionals, permanent	419	0	0.0%	304	73%
Total	1221	6	0.5%	804	66%

Table 3.5.5 Promotions by salary band for the period 1 April 2022 to 31 March 2023

Salary band	Employees 1 April 2022	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (levels 1-2)	1	0	0%	1	0%
Skilled (levels 3-5)	104	2	2%	30	29%
Highly skilled production (levels 6-8)	357	4	1%	252	71%
Highly skilled supervision (levels 9-12)	532	0	0%	371	70%
Senior management (levels 13-16)	227	0	0%	150	66%
Total	1221	6	0%	804	66%

3.6. Employment equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as at 31 March 2023

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	62	16	7	8	64	5	19	17	198
Professionals	214	11	8	7	256	10	15	19	540
Technicians and associate professionals	68	4	2	0	122	8	4	10	218
Clerks	24	0	0	1	116	4	0	8	153
Service and sales workers	2	1	2	1	8	0	0	1	15
Plant and machine operators and assemblers	4	1	0	0	0	0	0	0	5
Elementary occupations	4	0	0	0	17	1	0	0	22
Total	378	33	19	17	583	28	38	55	1151
Employees with disabilities	19	0	1	1	19	1	3	4	48

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as at 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	2	2	1	1	5	0	0	0	11
Senior management	69	14	6	7	73	7	22	18	216
Professionally qualified and experienced specialists and mid-management	187	12	10	6	195	10	12	22	454

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	93	4	2	3	248	9	4	14	377
Semi-skilled and discretionary decision-making	27	1	0	0	61	2	0	1	92
Unskilled and defined decision-making	0	0	0	0	1	0	0	0	1
Total	378	33	19	17	583	28	38	55	1151

Table 3.6.3 Recruitment for the period 1 April 2022 to 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	1	0	0	0	0	0	0	0	1
Senior management	1	1	1	1	1	0	0	0	5
Professionally qualified and experienced specialists and mid-management	1	0	1	2	2	0	0	1	7
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1	0	0	0	1	0	0	0	2
Semi-skilled and discretionary decision-making	8	0	1	0	25	0	0	0	34

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Unskilled and defined decision-making	0	0	0	0	0	0	0	0	0
Total	11	1	3	3	29	0	0	1	48
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.4 Promotions for the period 1 April 2022 to 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	0	0	0	0	0	0	0	0	0
Senior management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1	0	0	0	3	0	0	0	4
Semi-skilled and discretionary decision-making	2	0	0	0	0	0	0	0	2
Unskilled and defined decision-making	0	0	0	0	0	0	0	0	0
Total	3	0	0	0	3	0	0	0	6
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.5 Terminations for the period 1 April 2022 to 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	0	0	1	0	1	1	0	0	3
Senior management	6	0	1	6	3	3	0	1	20
Professionally qualified and experienced specialists and mid-management	16	2	0	2	10	1	0	1	32
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	5	0	0	0	10	0	0	0	15
Semi-skilled and discretionary decision-making	18	0	1	0	28	0	0	0	47
Unskilled and defined decision-making	0	0	0	0	0	0	0	0	0
Total	45	2	3	8	52	5	0	2	117
Employees with disabilities	0	0	0	1	0	0	0	0	1

Table 3.6.6 Disciplinary action for the period 1 April 2022 to 31 March 2023

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Verbal warning	3	0	0	0	2	0	0	0	5
Written warning	6	1	0	0	5	0	0	0	12
Final written warning	0	0	0	0	2	0	0	0	2
Pending	0	0	1	0	3	0	0	0	4
Dismissal	0	0	0	0	0	0	0	0	0
Case withdrawn	1	0	0	0	5	0	0	0	6
TOTAL	10	1	1	0	17	0	0	0	29

Table 3.6.7 Skills development for the period 1 April 2022 to 31 March 2023

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	13	2	0	3	22	2	15	11	68
Professionals	45	4	1	1	76	1	2	1	131
Technicians and associate professionals	28	0	0	0	50	3	2	4	87
Clerks	46	0	5	0	127	0	0	0	178
Service and sales workers	3	4	1	0	3	0	0	1	12
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	1	0	0	0	0	0	0	1
Elementary occupations	0	0	0	0	2	0	0	0	2
Total	135	11	7	4	280	6	19	17	479
Employees with disabilities	5	0	1	0	4	0	0	0	10

3.7. Signing of performance agreements by SMS members

All members of the SMS must conclude and sign performance agreements within specific timeframes. Information regarding the signing of performance agreements by SMS members, the reasons for non-compliance with the prescribed timeframes, and the disciplinary steps taken is presented here.

Table 3.7.1 Signing of performance agreements by SMS members as at 31 May 2022

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	0	0	0%
Salary level 16 but not HOD	3	1	0	0%
Salary level 15	13	7	7	100%
Salary level 14	71	58	55	95%
Salary level 13	181	143	140	98%
Total	269	209	202	97%

Table 3.7.2 Reasons for not having concluded performance agreements for all SMS members as at 31 March 2023

Reasons	
DG/HOD	N/A
Salary level 16 but not DG/HOD	1 x employee newly appointed
Salary level 15	N/A
Salary level 14	1 x employee lodged a dispute 1 x employee newly appointed 1 x employee seconded
Salary level 13	1 x employee lodged a dispute 2 x managers did not sign

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded performance agreements as at 31 March 2023

Reasons
<p>The reasons for members of the SMS not submitting or fully finalising their performance agreements relate primarily to disputes, contract terminations, resignations, pending managerial signatures, secondments, and retirements. These reasons are considered to be 'good cause' and do not reflect poor performance or deliberate non-compliance. Therefore, disciplinary action could not be taken against the SMS members.</p>

3.8. Performance rewards

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations (see definition in notes below).

Table 3.8.1 Performance rewards by race, gender and disability for the period 1 April 2022 to 31 March 2023

Race and gender	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	27	378	7.1%	1089	40
Female	27	583	4.6%	1271	47
Asian					
Male	3	19	15.8%	267	89
Female	9	38	23.7%	587	65
Coloured					
Male	0	33	0.0%	0	0
Female	3	28	10.7%	116	39
White					
Male	2	17	11.8%	103	52
Female	9	55	16.4%	625	69
Total	80	1151	7.0%	4059	51

Table 3.8.2 Performance rewards by salary band for personnel below SMS for the period 1 April 2022 to 31 March 2023

Salary band	Number of beneficiaries	Total employees	Percentage of total employment	Cost (R'000)	Average cost per beneficiary (R'000)	Total cost as a % of the total personnel expenditure
Semi-skilled (level 2)	0	1	0.0%	0	0	0.0%
Skilled (levels 3-5)	1	88	1.1%	11	11	0.0%
Highly skilled production (levels 6-8)	20	346	5.8%	414	21	0.2%
Highly skilled supervision (levels 9-12)	42	504	8.3%	2079	49	0.4%
Total	63	939	6.7%	2504	40	0.3%

Table 3.8.3 Performance rewards by critical occupation for the period 1 April 2022 to 31 March 2023

Critical occupation	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total cost (R'000)	Average cost per employee
Administrative related, permanent	14	185	8%	395	28
Cleaners in offices, workshops, hospitals etc., permanent	0	1	0%	0	0
Communication and information related, permanent	1	5	20%	66	66
Economists, permanent	1	6	17%	65	65
Finance and economics related, permanent	11	43	26%	470	43
Financial and related professionals, permanent	1	9	11%	33	33
Financial clerks and credit controllers, permanent	0	3	0%	0	0
Food services aids and waiters, permanent	0	12	0%	0	0
General legal administration and related professionals, permanent	0	2	0%	0	0
Head of department/ chief executive officer, permanent	0	0	0%	0	0
Household and laundry workers	0	3	0%	0	0
Human resources and organisational development and related professionals, permanent	0	1	0%	0	0
Human resources clerks, permanent	0	4	0%	0	0
Human resources related, permanent	0	37	0%	0	0
Information technology related, permanent	5	26	19%	167	33

Critical occupation	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total cost (R'000)	Average cost per employee
Legal related, permanent	0	7	0%	0	0
Library, mail and related clerks, permanent	1	15	7%	16	16
Light vehicle drivers, permanent	1	8	13%	11	11
Logistical support personnel, permanent	0	20	0%	0	0
Messengers, porters and deliverers, permanent	0	2	0%	0	0
Other administrative and related clerks and organisers, permanent	0	22	0%	0	0
Other information technology personnel	0	3	0%	0	0
Other occupations, permanent	0	2	0%	0	0
Risk management and security services, permanent	0	0	0%	0	0
Secretaries and other keyboard operating clerks, permanent	1	113	1%	22	22
Security officers, permanent	0	15	0%	0	0
Senior managers, permanent	16	212	8%	1 480	92
Statisticians and related professionals, permanent	0	1	0%	0	0
Trade and industry advisers and other related professionals, permanent	28	394	7%	1 336	48
Total	80	1151	7%	4059	51

Table 3.8.4 Performance-related rewards (cash bonus) by salary band for SMS for the period 1 April 2022 to 31 March 2023

Salary band	Beneficiary profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total cost (R'000)	Average cost per employee	
Band A	8	144	6%	628	79	0.30%
Band B	2	59	3%	202	101	0.20%
Band C	7	8	88%	725	104	3.3%
Band D	0	1	0%	0	0	0%
Total	17	212	8%	1555	91	0.5%

3.9. Foreign workers

The tables below summarise the employment of foreign nationals in the department in terms of salary band and major occupation.

Table 3.9.1 Foreign workers by salary band for the period 1 April 2022 to 31 March 2023

Salary band	1 April 2022		31 March 2023		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled	0	0%	0	0%	0	0%
Highly skilled production (levels 6-8)	0	0%	0	0%	0	0%
Highly skilled supervision (levels 9-12)	2	29%	2	33%	0	0%
Senior management (levels 13-16)	5	71%	4	67%	-1	-25%
Total	7	100%	6	100%	-1	-17%

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2022 to 31 March 2023

Major occupation	1 April 2022		31 March 2023		Change	
	Number	% of total	Number	% of total	Number	% Change
Senior managers	5	71%	4	67%	-1	-25%
Trade/industry advisers and other related profession	2	29%	2	33%	0	0%
Total	7	100%	6	100%	-1	-17%

3.10. Leave utilisation

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

Table 3.10.1 Sick leave for the period 1 January 2022 to 31 December 2022

Salary band	Total days	% days with medical certification	Number of employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated cost (R'000)
Lower skilled (levels 1-2)	2	100%	1	0.1%	2	1
Skilled (levels 3-5)	499	84.4%	72	8.7%	7	411
Highly skilled production (levels 6-8)	2027	82.4%	272	32.8%	7	3 435
Highly skilled supervision (levels 9 -12)	2470	82.6%	345	41.6%	7	7 998
Top and senior management (levels 13-16)	1102	85%	140	16.9%	8	5 365
Total	6100	83.1%	830	100%	7	17 210

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2022 to 31 December 2022

Salary band	Total days	% days with medical certification	Number of employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated cost (R'000)
Lower skilled (levels 1-2)	0	0%	0	0%	0	0
Skilled (levels 3-5)	0	100%	0	100%	0	0
Highly skilled production (levels 6-8)	244	100%	3	100%	81.33	394
Highly skilled supervision (levels 9-12)	48	100%	2	100%	24.00	156
Senior management (levels 13-16)	17	100%	2	100%	8.50	82
Total	309	100%	7	100%	23.00	632

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

Table 3.10.3 Annual leave for the period 1 January 2022 to 31 December 2022

Salary band	Total days taken	Number of employees using annual leave	Average per employee
Lower skilled (levels 1-2)	19	1	0
Skilled (levels 3-5)	1819	131	27
Highly skilled production (levels 6-8)	8315	343	24
Highly skilled supervision (levels 9-12)	11885	528	23
Senior management (levels 13-16)	5297	247	21
Total	27335	1250	22

Table 3.10.4 Capped leave for the period 1 January 2022 to 31 December 2022

Salary band	Total days of capped leave taken	Number of employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2023
Lower skilled (levels 1-2)	0	0	0	0
Skilled (levels 3-5)	0	0	0	0
Highly skilled production (levels 6-8)	1	1	13	1
Highly skilled supervision (levels 9-12)	0	0	24	0
Senior management (levels 13-16)	1	1	25	1
Total	2	1	23	2

The following table summarise payments made to employees as a result of leave that was not taken.

Table 3.10.5 Leave payouts for the period 1 April 2022 to 31 March 2023

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2022/23 due to non-utilisation of leave for the previous cycle	469	12	39
Capped leave payouts on termination of service for 2022/23	1 230	10	123
Current leave payout on termination of service for 2022/23	4 020	120	34
Total	5 719	142	196

3.11. HIV/AIDS and health promotion programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV and related diseases (if any)	Key steps taken to reduce the risk
N/A	N/A

Table 3.11.2 Details of health promotion and HIV/AIDS programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		Ms Thuli Lebuso
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		Four employees (annual budget excluding compensation budget is R527 310.00)
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this programme.	Yes		Counselling (telephonic, face-to-face), trauma debriefing, managerial support services, life management services, training and development, awareness and prevention
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.		No	
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		Employment practices are not unfairly discriminatory
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		Occupational Clinic has measures in place for monitoring and making referrals
7. Does the department encourage its employees to undergo voluntary counselling and testing? If so, list the results that you have achieved.	Yes		Screening services were conducted and a total of 26 employees were screened
8. Has the department developed measures/indicators to monitor and evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Yes		Monitor trends and interventions introduced. Interventions facilitated and feedback from clients.

3.12. Labour relations

Table 3.12.1 Collective agreements for the period 1 April 2022 to 31 March 2023

Subject matter	Date
Total number of collective agreements	None

The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2022 to 31 March 2023

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0%
Verbal warning	5	17%
Written warning	12	41%
Final written warning	2	7%
Suspended without pay	0	0%
Fine	0	0%
Demotion	0	0%
Dismissal	0	0%
Not guilty	0	0%
Case withdrawn	6	21%
Pending	4	14%
Total	29	100%

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2022 to 31 March 2023

Type of misconduct	Number	% of total
Insubordination and absenteeism	1	3%
Non-compliance with finalising PA	2	9%
Failure to fully disclose financial interest	8	28%
Performing RWOPS without permission	1	3%
Failure to submit financial disclosure on time	2	9%
Unauthorised leave	1	3%
Failure to obtain prior approval to undertake an international-sponsored trip	1	3%
Dereliction of duties	1	3%
Insubordination	1	3%

Type of misconduct	Number	% of total
Insubordination and non-compliance of performance assessment	1	3%
Insubordination and non-compliance of leave policy	1	3%
Performing RWOPS without permission and doing business with the state	1	3%
Gross negligence and dereliction of duties	1	3%
Irregular expenditure	1	3%
Insubordination and refusal to carry out a legitimate instruction	1	3%
Alleged fraud	1	3%
Disgraceful conduct/soliciting of bribe	1	3%
Failure to disclose his/her son's participation prior to him benefitting	2	9%
Incompatibility/insubordination	1	3%
Total	29	100%

Table 3.12.4 Grievances lodged for the period 1 April 2022 to 31 March 2023

Grievances	Number	% of total
Number of grievances resolved	28	76%
Number of grievances not resolved	9	24%
Total number of grievances lodged	37	100%

Table 3.12.5 Disputes logged with councils for the period 1 April 2022 to 31 March 2023

Disputes	Number	% of total
Number of disputes upheld	1	11%
Number of disputes dismissed	4	44%
Number of disputes pending	3	33%
Withdrawn	1	11%
Total	9	100%

Table 3.12.6 Strike actions for the period 1 April 2022 to 31 March 2023

Total number of persons working days lost	0
Total cost of working days lost	0
Amount recovered as a result of no work no pay (R'000)	0

Table 3.12.7 Precautionary suspensions for the period 1 April 2022 to 31 March 2023

Number of people suspended	0
Number of people whose suspension exceeded 30 days	0
Average number of days suspended	0
Cost of suspension (R'000)	0

3.13. Skills development

This section highlights the efforts of the department with regard to skills development.

Table 3.13.1 Training needs identified for the period 1 April 2022 to 31 March 2023

Occupational category	Gender	Number of employees as at 1 April 2022	Training needs identified at start of reporting period			
			Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	110	0	28	7	35
	Male	103	0	29	4	33
Professionals	Female	314	0	113	53	166
	Male	258	0	82	21	103
Technicians and associate professionals	Female	147	0	26	5	31
	Male	84	0	25	14	39
Clerks	Female	133	0	58	15	73
	Male	27	0	7	1	8
Service and sales workers	Female	9	0	1	0	1
	Male	6	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	5	0	0	0	0
Elementary occupations	Female	18	0	1	0	1
	Male	4	0	1	0	1
Sub-total	Female	731	0	227	80	307
	Male	487	0	144	40	184
Total		1218	0	371	120	491

Table 3.13.2 Training provided for the period 1 April 2022 to 31 March 2023

Occupational category	Gender	Number of employees as at 1 April 2022	Training provided within the reporting period			
			Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	110	0	46	4	50
	Male	103	0	15	3	18
Professionals	Female	314	0	64	16	80
	Male	258	0	42	9	51
Technicians and associate professionals	Female	147	0	54	5	59
	Male	84	0	24	4	28
Clerks	Female	133	0	118	9	127
	Male	27	0	45	6	51
Service and sales workers	Female	9	0	3	1	4
	Male	6	0	8	0	8
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	5	0	1	0	1
Elementary occupations	Female	18	0	2	0	2
	Male	4	0	0	0	0
Sub-total	Female	731	0	287	0	322
	Male	487	0	135	0	157
Total		1218	0	422	57	479

3.14. Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2022 to 31 March 2023

Nature of injury on duty	Number	% of total
Required basic medical attention only	0	0
Temporary total disablement	0	0
Permanent disablement	0	0
Fatal	0	0
Total	0	0

3.15. Utilisation of consultants

The following tables relate to information on the utilisation of consultants in the department. In terms of the Public Service Regulations, 'consultant' means a natural or juristic person or a partnership who or which provides in terms of a specific contract, on an ad-hoc basis, any of the following professional services to a department against remuneration received from any source:

- a. The rendering of expert advice
- b. The drafting of proposals for the execution of specific tasks
- c. The execution of a specific task that is of a technical or intellectual nature, but excludes an employee of a department.

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2022 to 31 March 2023

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand (R'000)
Forensic investigations on alleged fraud and corruption cases at the dtic (Panel of three service providers)	31	457	7 377
Investigation services and analysis of financial statements on the alleged contraventions of the Broad-Based Black Economic Empowerment Act No.53 of 2003 as amended by Broad-Based Black Economic Empowerment Act No.46 of 2013 ("The B-BBEE Act")	4	70	542
B-BBEE certificate portal information in order to produce sector report and the national status and trends on B-BBEE transformation report	4	44	492
Advisory and analysis of the white goods tariff structure	4	150	719
High level economic impact report on the South African transformation policies and the Black Industrialists Programme	5	262	1 785
Advisory for the compilation of the 2021/22 annual incentive report and annual industrial financing report	5	160	930
Research to analyse the potential direct and indirect impact of tariff decisions on economic growth, inflation, investment, competitiveness, and exports - frozen vegetables	2	10	317
Audit services for specialist advisory and assurance services in the it, performance and compliance audit disciplines, as well as accounting related services	25	209	4 500
Research to conduct "conformity assessment under the new SA carbon tax regime and opportunities for the dtic and its entities, the South African Bureau of Standards	3	67	609

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand (R'000)
Research analysis of major B-BBEE transactions on behalf of the B-BBEE Commission for a period of four (4) months	3	120	386
Impact assessment study of Export Marketing and Investment Assistance (EMIA Scheme) for the period of 2015 to 2021	8	150	897
Investigation into South Africa's construction sectors' prolonged underperformance	10	86	750
Advisory financial consultant for the ICT shared services work	1	81	982
Evaluating the contribution of key manufacturing sectors on localisation	9	108	895
Development of entities' oversight framework and proposals for the optimisation of the dtic entities	4	133	980
Provide an analysis and proposal for a financing framework for the hemp and cannabis sector for the duration of the research project	5	270	1 007
Research analytics to conduct a study "Mapping the South African township economy and opportunities for support"	8	173	1 945
Economic impact assessment of scrap metal policy proposals	3	55	917
Technical support to the dtic and ITAC for the implementation of the metal licensing system	12	136	2 424
Research a census of Black Industrialist Enterprises	7	77	866
Research a hemp and cannabis sector development situational and value chain analysis and country competitive sector development for the dtic	4	131	2 000
Integration of the dtic efforts on industrialisation and transformation at a district level	8	92	1 500
Feasibility study on developing a film animation sector master plan	4	90	655
Conduct an evaluation of the Itukise 2.0: internships for unemployed graduates programme	5	106	903
Financial consulting, financial modelling, quantification and arbitration support as well as advice on early debt settlement	2	108	1 690

Total number of projects	Total individual consultants	Total duration (work days)	Total contract value in Rand (R'000)
25	176	3 505	36 069

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of historically disadvantaged individuals (HDIs) for the period 1 April 2022 to 31 March 2023

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Forensic investigations on alleged fraud and corruption cases at the dtic and its entities (panel of three service providers) - Mora Inc.	100	100	8
Forensic investigations on alleged fraud and corruption cases at the dtic and its entities (panel of three service providers) - Funduzi	100	100	8
Forensic investigations on alleged fraud and corruption cases at the dtic and its entities (panel of three service providers) - TSU	60	60	6
Investigation services and analysis of financial statements on the alleged contraventions of the B-BBEE Act No. 53 of 2003 as amended by B-BBEE Act No.46 of 2013	55	26	3
B-BBEE certificate portal information in order to produce sector report and the national status and trends on B-BBEE transformation report	0	0	0
Advisory and analysis of the white goods tariff structure	100	100	4
High-level economic impact report on the South African transformation policies and the Black Industrialists Programme	60	70	2
Advisory for the compilation of the 2021/22 annual incentive report and annual industrial financing report	100	100	4
Research to analyse the potential direct and indirect impact of tariff decisions on economic growth, inflation, investment, competitiveness, and exports - frozen vegetables	52.04	50	0
Audit services for specialist advisory and assurance services in the IT, performance and compliance audit disciplines, as well as accounting-related services	35.28	43	10
Research to conduct conformity assessment under the new South African carbon tax regime and opportunities for the dtic and its entity, the SABS	52.04	50	1

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Research analysis of major B-BBEE transactions on behalf of the B-BBEE Commission for a period of four months	100	50	1
Impact assessment study of EMIA Scheme for the period of 2015 to 2021	100	50	5
Investigation into South Africa's construction sector's prolonged underperformance	100	100	7
Advisory financial consultant for the ICT shared services work	0	0	0
Evaluating the contribution of key manufacturing sectors on localisation	100	50	6
Development of entities' oversight framework and proposals for the optimisation of the dtic entities	0	0	0
Provide an analysis and proposal for a financing framework for the hemp and cannabis sector for the duration of the research project	52.04	50	0
Research analytics to conduct a study, 'Mapping the South African township economy and opportunities for support'	20	20	6
Economic impact assessment of scrap metal policy proposals	20	20	0
Technical support to the dtic and ITAC for the implementation of the metal licensing system	38.77	14.05	9
Research a census of black industrialist enterprises	38.77	14.05	5
Research a hemp and cannabis sector development situational and value chain analysis and country competitive sector development for the dtic	60	70	2
Integration of the dtic efforts on industrialisation and transformation at a district level	100	80	4
Feasibility study on developing a film animation sector master plan	20	20	2
Conduct an evaluation of the Itukise 2.0: internships for unemployed graduates programme	100	100	3

Table 3.15.3 Report on consultant appointments using donor funds for the period 1 April 2022 to 31 March 2023

Project title	Total number of consultants that worked on project	Duration (work days)	Donor and contract value in Rand
None			

Total number of projects	Total individual consultants	Total duration (work days)	Total contract value in Rand
None			

Table 3.15.4 Analysis of consultant appointments using donor funds, in terms of HDIs for the period 1 April 2022 to 31 March 2023

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
None			

3.16. Severance packages

Table 3.16.1 Granting of employee-initiated severance packages for the period 1 April 2022 to 31 March 2023

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (levels 1-2)	0	0	0	0
Skilled (levels 3-5)	0	0	0	0
Highly skilled production (levels 6-8)	0	0	0	0
Highly skilled supervision (levels 9-12)	0	0	0	0
Senior management (levels 13-16)	0	0	0	0
Total	0	0	0	0



Governance

Risk

Compliance



PART E

Financial Information



PFMA COMPLIANCE REPORT

1. IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

1.1. Irregular expenditure

a. Reconciliation of irregular expenditure

Description	2022/23	2021/22
	R'000	R'000
Opening balance	-	320
Add: Irregular expenditure confirmed	-	-
Less: Irregular expenditure condoned	-	-320
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recovered and written off	-	-
Closing balance	-	-

Reconciling notes

Description	2022/23	2021/22 ¹
	R'000	R'000
Irregular expenditure that was under assessment in 2021/22	-	-
Irregular expenditure that relates to 2021/22 and identified in 2022/23	-	-
Irregular expenditure for the current year	-	-
Total	-	-

b. Details of current and previous year irregular expenditure (under assessment, determination and investigation)

Description ²	2022/23	2021/22
	R'000	R'000
Irregular expenditure under assessment	-	-
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	-	-
Total³	-	-

1 Record amounts in the year in which it was incurred

2 Group similar items

3 Total unconfirmed irregular expenditure (assessment), losses (determination) and criminal conduct (investigation)

c. Details of current and previous year irregular expenditure condoned

Description	2022/23	2021/22
	R'000	R'000
Irregular expenditure condoned	-	320
Total	-	320

d. Details of current and previous year irregular expenditure removed (not condoned)

Description	2022/23	2021/22
	R'000	R'000
Irregular expenditure NOT condoned and removed	-	-
Total	-	-

e. Details of current and previous year irregular expenditure recovered

Description	2022/23	2021/22
	R'000	R'000
Irregular expenditure recovered	-	-
Total	-	-

f. Details of current and previous year irregular expenditure written off (irrecoverable)

Description	2022/23	2021/22
	R'000	R'000
Irregular expenditure written off	-	-
Total	-	-

Additional disclosure relating to inter-institutional arrangements

g. Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution *is not* responsible for the non-compliance)

Description
None
Total

h. Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution *is* responsible for the non-compliance)

Description	2022/23	2021/22
	R'000	R'000
	-	-
Total	-	-

i. **Details of current and previous year disciplinary or criminal steps taken as a result of irregular expenditure**

Disciplinary steps taken
None

1.2. **Fruitless and wasteful expenditure**

a. **Reconciliation of fruitless and wasteful expenditure**

Description	2022/23	2021/22
	R'000	R'000
Opening balance	-	51
Add: Fruitless and wasteful expenditure confirmed	-	-
Less: Fruitless and wasteful expenditure written off	-	-51
Less: Fruitless and wasteful expenditure recoverable	-	-
Closing balance	-	-

Reconciling notes

Description	2022/23	2021/22 ⁴
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment in 2021/22	-	-
Fruitless and wasteful expenditure that relates to 2021/22 and identified in 2022/23	-	-
Fruitless and wasteful expenditure for the current year	-	-
Total	-	-

b. **Details of current and previous year fruitless and wasteful expenditure (under assessment, determination and investigation)**

Description ⁵	2022/23	2021/22
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	-
Total⁶	-	-

⁴ Record amounts in the year in which it was incurred

⁵ Group similar items

⁶ Total unconfirmed fruitless and wasteful expenditure (assessment), losses (determination), and criminal conduct (investigation)

c. Details of current and previous year fruitless and wasteful expenditure recovered

Description	2022/23	2021/22
	R'000	R'000
Fruitless and wasteful expenditure recovered	-	-
Total	-	-

d. Details of current and previous year fruitless and wasteful expenditure not recovered and written off

Description	2022/23	2021/22
	R'000	R'000
Fruitless and wasteful expenditure written off	-	51
Total	-	51

e. Details of current and previous year disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken
None
Total

1.3. Unauthorised expenditure

a. Reconciliation of unauthorised expenditure

Description	2022/23	2021/22
	R'000	R'000
Opening balance	-	-
Add: unauthorised expenditure confirmed	-	-
Less: unauthorised expenditure approved with funding	-	-
Less: unauthorised expenditure approved without funding	-	-
Less: unauthorised expenditure recoverable	-	-
Less: unauthorised not recovered and written off ⁷	-	-
Closing balance	-	-

⁷ This amount may only be written off against available savings

Reconciling notes

Description	2022/23	2021/22 ⁸
	R'000	R'000
Unauthorised expenditure that was under assessment in 2021/22	-	-
Unauthorised expenditure that relates to 2021/22 and identified in 2022/23	-	-
Unauthorised expenditure for the current year	-	-
Total	-	-

b. Details of current and previous year unauthorised expenditure (under assessment, determination and investigation)

Description ⁹	2022/23	2021/22
	R'000	R'000
Unauthorised expenditure under assessment	-	-
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
Total¹⁰	-	-

1.4. Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) and(iii)

a. Details of current and previous year material losses through criminal conduct

Material losses through criminal conduct	2022/23	2021/22
	R'000	R'000
Theft	-	-
Other material losses	-	-
Less: Recovered	-	-
Less: Not recovered and written off	-	-
Total	-	-

⁸ Record amounts in the year in which it was incurred

⁹ Group similar items

¹⁰ Total unconfirmed unauthorised expenditure (assessment), losses (determination), and criminal conduct (investigation)

b. Details of other material losses

Nature of other material losses	2022/23	2021/22
	R'000	R'000
(Group major categories, but list material items)	-	-
	-	-
	-	-
	-	-
	-	-
Total	-	-

c. Other material losses recovered

Nature of losses	2022/23	2021/22
	R'000	R'000
(Group major categories, but list material items)	-	-
Total	-	-

d. Other material losses written off

Nature of losses	2022/23	2021/22
	R'000	R'000
Rental damages	150	85
Total	150	85

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated value
		R'000
Valid invoices received	11 094	505 723
Invoices paid within 30 days or agreed period	11 093	505 682
Invoices paid after 30 days or agreed period	1	41
Invoices older than 30 days or agreed period (unpaid and without dispute)	-	-
Invoices older than 30 days or agreed period (unpaid and in dispute)	-	-

3. SUPPLY CHAIN MANAGEMENT

3.1. Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Hire exhibition area, exhibition stand for the World Travel Market Expo scheduled to take place at the International Convention Cape Centre in Cape Town from 11 to 13 April 2022	Reed Venue Management (Pty) Ltd	Sole provider	OR-039339	450
Hire exhibition area, exhibition stand to provide the dtic with exhibition floor space for the Tomato Green Easter Farmers Market taking place at Mohlaka Community Farm in Dinokana, Zeerust, from 15 to 18 April 2022	Tomato Green Design CC	Sole provider	OR-039346	80
Hire exhibition area, exhibition stand to provide the dtic with exhibition package for the 2022 Mangaung Youth Empowerment Week taking place at Braam Fischer Building in Bloemfontein from 21 to 22 April 2022	Artkulay CC	Sole provider	OR-039349	286
Hire exhibition area, exhibition stand to provide a floor space for the Professional Beauty Exhibition, scheduled to take place in Cape Town on 25 April 2022	T.E. Trade Events (Pty) Ltd	Sole provider	OR-039350	115
Catering services for the Minister's meetings during the Mining Indaba Conference to be held at the Cape Town International Convention Centre (CTICC) from 9 to 12 May 2022	Cape Town International Convention Centre (CTICC)	Sole provider	OR-039355	11
Hire exhibition area, exhibition stand to provide the 34m ² floor space for the Devac Infrasfuture Conference and Expo taking place from 18 to 19 May 2022 in Johannesburg, Gauteng	Sealzed Group (Pty) Ltd	Sole provider	OR-039356	43

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Hire exhibition area, exhibition stand with an exhibition package for the 2022 TSA Bokone Farmers Market Expo scheduled to take place in Vryburg on 28 May 2022	Black Ruby Solutions (Pty) Ltd	Sole provider	OR-039359	265
Hire exhibition area, exhibition stand with exhibition space during the 2022 Design Jo'burg Exhibitions scheduled to take place at the Sandton Convention Centre, Johannesburg, from 19 to 21 May 2022	Media 10 (Pty) Ltd	Sole provider	OR-039364	131
Hire exhibition area, exhibition stand with 25m ² exhibition floor space for the IDLE Auto Fest 2022 taking place at Mall Of Africa, Gauteng, from 21 to 22 May 2022	SA Max Group (Pty) Ltd	Sole provider	OR-039367	7
Renewal of licences and maintenance contract for the pre-payment of the annual licence fee and monthly support hours fees for the non-proliferation online system for 2022/23 financial year	Flowcentric Technologies (Pty) Ltd	Sole provider	OR-039375	431
Hire exhibition area, exhibition stand with exhibition package for the 2022 Mangaung Business Dialogue and Expo taking place at Kagisanong Hall, Rocklands in Bloemfontein, Free State, on 26 May 2022	Bakwena Events Management (Pty) Ltd	Sole provider	OR-039378	280
Hire exhibition area, exhibition stand with the exhibition floor space (18m ²) during the 2022 Woodex for Africa taking place from 7 to 9 June 2022, at Gallagher Convention Centre Midrand, Gauteng	Zovicap (Pty) Ltd	Sole provider	OR-039380	45
Hire exhibition area, exhibition stand with exhibition package for the North West International Market Access Forum that is scheduled to take place in Hartebeespoort from 1 to 2 June 2022	Artkulay CC	Sole provider	OR-039382	260

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Hire exhibition area, exhibition stand and floor space for Automechanika Trade Show 2022 scheduled to take place in Johannesburg from 7 to 10 June 2022	Messe Frankfurt South Africa (Pty) Ltd	Sole provider	OR-039383	39
Hire exhibition area, exhibition stand with a 42m ² exhibition floor space for the Decorex Cape Town, scheduled to take place from 16 to 19 June 2022 in Cape Town	Reed Venue Management (Pty) Ltd	Sole provider	OR-039386	152
Medical occupational practitioner	Soma Initiative (Pty) Ltd	Single source	OR-039387	480
Hire exhibition area, exhibition stand with floor space for the Manufacturing Indaba Conference and exhibition, which is scheduled to take place from 21 to 22 June 2022 at Sandton Convention Centre	Manufacturing Indaba (Pty) Ltd	Single source	OR-039393	149
Hire exhibition area, exhibition stand with exhibition package for Saitex Trade Show 2022 scheduled to take place in Johannesburg from 19 to 21 June 2022	DMG Exhibition Management Services (Pty) Ltd	Sole provider	OR-039394	450
Hire exhibition area, exhibition stand with exhibition package for the House and Garden Show scheduled to take place in Durban from 24 June to 3 July 2022	Clive Ray Shedlock (Pty) Ltd	Sole provider	OR-039395	400
Hire exhibition area, exhibition stand with floor space for the Green Youth Indaba 2022 scheduled to take place in Pretoria on 30 June 2022	Green Youth Network (Pty) Ltd	Sole provider	OR-039396	70
Hire exhibition area, exhibition stand and floor space for the Hostex 2022 scheduled to take place at the Sandton Convention Centre in Johannesburg from 26 to 28 June 2022	Specialist Exhibitions (Pty) Ltd	Sole provider	OR-039398	143
Renewal of the ACL licences of the ACL Data Analyst	Surtech Solutions RSA (Pty) Ltd	Sole provider	OR-039399	114

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Hire storage space from 1 April 2022 to 31 March 2023	The South African Nuclear Energy Corporation (Pty) Ltd (NECSA)	Sole provider	OR-039407	187
Hire exhibition area, exhibition stand with exhibition package for Durban Filmmart 2022 scheduled to take place in Durban from 22 to 24 July 2022	Durban Filmmart Institute (Pty) Ltd	Sole provider	OR-039417	103
Renewal of licences of the annual Teammate subscription	Wolters Kluwer TAX and Accounting Southern Africa (Pty) Ltd	Sole provider	OR-039419	191
Subscription fee magazines, publication to renew Quantec's Easydata Economic Database and the RSA Regional Indicator Database subscription from 1 July 2022 to 30 June 2023	Quantec Enterprise (Pty) Ltd	Sole provider	OR-039420	349
Backup solution, licences, maintenance and support contract between the dtic and XON Systems (Pty) Ltd for 12 months	XON Systems (Pty) Ltd	Extension	OR-039423	1 832
Hire exhibition area, exhibition stand with exhibition floor space for the Cannabis Expo and Exhibition 2022 taking place at Suncoast in Durban from 21 to 24 July 2022	Expo Guys (Pty) Ltd	Sole provider	OR-039424	126
Hire exhibition area, exhibition stand with 48m ² exhibition floor space for Decorex Johannesburg scheduled to take place in Sandton from 28 to 31 July 2022	Reed Venue Management (Pty) Ltd	Sole provider	OR-039426	164
Hire exhibition area, exhibition stand with a 60m ² exhibition floor space for the Sarcda Christmas 2022 scheduled to take place from 17 to 19 August 2022 in Midrand	Sarcda Trade Exhibitions (Pty) Ltd	Sole provider	OR-039435	150

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Training for the registration of three Forensic Audit staff members to attend the Virtual Associated of Certified Fraud Examiners (ACFE) Annual African Conference from 12 to 14 September 2022	ACFESA	Sole provider	OR-039440	22
Who Owns Whom Database licences	Who Owns Whom	Sole provider	OR-039450	224
Hire exhibition area, exhibition stand and floor space for the Allfashion Sourcing 2022 scheduled to take place at the Cape Town International Convention Centre in Cape Town, from 28 September to 1 October 2022	Messe Frankfurt South Africa (Pty) Ltd	Sole provider	OR-039461	165
Hire of venue to host the 9th Joint Economic Commission (JEC) between South Africa and the Kingdom of Saudi Arabia to be held in Pretoria from 3 to 4 October 2022	Southern Sun Hotel Interests (Pty) Ltd T/A Southern Sun Pretoria	Single source	OR-039469	181
Catering services during the Student Exposure Programme scheduled to take place from 5 to 6 October 2022 at Waterberg TVET College of Agriculture, Mokopane, Limpopo	Higher Education Training T/A Waterberg TEVET College (Pty) Ltd	Single source	OR-039475	111
Hire exhibition area, exhibition stand and floor space for Organic and Natural Products Expo Africa scheduled to take place in Sandton, Gauteng, from 21 to 23 October 2022	SA Trade Promotions (Pty) Ltd	Sole provider	OR-039482	160
Server infrastructure contract (hardware, software, licences, maintenance support) for a period of six months	Apronics (Pty) Ltd	Extension	OR-039488	812
Training for nine staff members attending the Hybrid IIA SA Annual National Conference from 31 October to 2 November 2022	Institute of Internal Auditors South Africa (IIASA)	Sole provider	OR-039489	116

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Hire exhibition area, exhibition stand and floor space for the Cannabis Expo and Exhibition 2022 taking place at the Sandton Convention Centre, Sandton, from 18 to 20 November 2022	Expo Guys (Pty) Ltd	Sole provider	OR-039505	165
Advisory, financial consulting, financial modelling quantification and arbitration support, and advice on early debt settlement	Pamoja Capital (Pty) Ltd	Single source	OR-039518	1 690
Advisory financial consultant for the ICT shared services work	Business Technologies International (BTI)	Single source	OR-039524	982
Licence fee for the decision support model (Trade-DSM) development for 2022/23 financial year for a period of 12 months	Trade Research Advisory (Pty) Ltd	Sole provider	OR-039526	537
Catering services for the Minister's meetings during the Mining Indaba Conference held at the Cape Town International Convention Centre (CTICC) from 9 to 12 May 2022	Cape Town International Convention Centre (CTICC)	Sole provider	OR-039528	9
Fees Streamline HR Annual Licence	Mirror Business Solutions (Pty) Ltd	Sole provider	OR-039547	89
Subscription fee magazines, publications for the online and print <i>Engineering News</i> and <i>Mining Weekly</i> publications for the period of 36 months	Creamer Media South Africa (Pty) Ltd	Sole provider	OR-039549	130
Venue hire for the South Africa - Tanzania Business Forum to be held on 16 March 2023 at CSIR in Pretoria	Council for Scientific and Industrial Research	Single source	OR-039560	501
Hire exhibition area, exhibition stand and floor space for the Mpumalanga Fashion and Craft Show scheduled take place at Emnotweni Arena, Riverside Mall in Mbombela, on 4 March 2023	Malengs Holdings (Pty) Ltd	Sole provider	OR-039562	86

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Hire exhibition area, exhibition stand and floor space for Saphex Conference 2023 taking place at Sandton Convention Centre, in Johannesburg from 15 to 16 March 2023	Green Exhibition Services CC	Sole provider	OR-039567	150
Hire exhibition area, exhibition stand and indoor exhibition floor space for the Cannabis Expo and Exhibition 2023 taking place at Grandwest Casino, in Cape Town from 24 to 26 March 2023	Expo Guys (Pty) Ltd	Sole provider	OR-039576	169
Catering services during the 2023 Buy Local Summit and Expo scheduled to take place at the Sandton Convention Centre on 28 March 2023	Southern Sun Hotel Interest (Pty) Ltd	Sole provider	OR-039582	11
Total				13 813

3.2. Contract variations and expansions

Project description	Name of supplier	Contract modification type (expansion or variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
Supply and delivery of newspapers and business magazines to the dtic for a period of 36 months	Calandria 159/ T/A Newspaper Direct	Expansion	OR-039514	R495	None	R68

1. Report of the Auditor-General to Parliament on Vote No. 39: Department of Trade, Industry and Competition

Report on the audit of the Financial Statements

Opinion

1. I have audited the financial statements of the Department of Trade, Industry and Competition set out on pages 220 - 278, which comprise the appropriation statement, statement of financial position as at 31 March 2023, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Trade, Industry and Competition as at 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other matter

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited supplementary schedules

7. The supplementary information set out on pages 279 to 299 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Unaudited irregular expenditure and fruitless and wasteful expenditure

8. On 23 December 2022 National Treasury issued Instruction Note No. 4: PFMA Compliance and Reporting Framework of 2022-23 in terms of section 76(1)(b), (e) and (f), 2(e) and (4)(a) and (c) of the PFMA which came into effect on 3 January 2023. The PFMA Compliance and Reporting Framework also addresses the disclosure of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure (UIFW expenditure). Among the effects of this framework is that irregular and fruitless and wasteful expenditure incurred in previous financial years

and not addressed is no longer disclosed in either the annual report or the disclosure notes of the annual financial statements, only the current year and prior year figures are disclosed in note 25 to the financial statements. Furthermore, the movements in respect of irregular expenditure and fruitless and wasteful expenditure are no longer disclosed in the notes to the annual financial statements of the Department of Trade, Industry & Competition. The disclosure of these movements (e.g. condoned, recoverable, removed, written off, under assessment, under determination and under investigation) are now included as part of other information in the annual report of Department of Trade, Industry & Competition. I do not express an opinion on the disclosure of irregular expenditure and fruitless and wasteful expenditure in the annual report.

Responsibilities of the accounting officer for the financial statements

9. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
10. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

11. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
12. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

13. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for selected programme presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
14. I selected the following programme presented in the annual performance report for the year ended 31 March 2023 for auditing. I selected a programme that measures the department's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Industrial financing	90 - 97	Stimulate and facilitate the development of sustainable and competitive enterprises, through the efficient provision of effective and accessible incentive measures that support national priorities.

15. I evaluated the reported performance information for the selected programme against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the department's planning and delivery on its mandate and objectives.

16. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
- the indicators are well defined and verifiable to ensure that they are easy to understand and apply consistently and that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as what was committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner
- there are adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.

17. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion.

18. I did not identify any material findings on the reported performance information of the selected programme.

Report on compliance with legislation

19. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the department's compliance with legislation.

20. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

21. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the department, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
22. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

23. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and the selected programme presented in the annual performance report that have been specifically reported on in this auditor's report.
24. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation, do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
25. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programme presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
26. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

27. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
28. I did not identify any significant deficiencies in internal control.

Auditor-General

Pretoria

31 July 2023



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- the auditor-general's responsibility for the audit
- the selected legislative requirements for compliance testing.

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected programme and on the department's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the department to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act No.1 of 1999 (PFMA)	Section 1 Section 38(1)(a)(iv); 38(1)(b); PFMA 38(1)(c); 38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(h)(iii); Section 39(1)(a); 39(2)(a); Section 40(1)(a); 40(1)(b); 40(1)(c)(i) Section 43(4); 44; 44 (1) and (2); 45(b);
Treasury Regulations for departments, trading entities, constitutional institutions and public entities (TR)	Treasury Regulation 4.1.1; 4.1.3 Treasury Regulation 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1 Treasury Regulation 6.3.1(a); 6.3.1(b); 6.3.1(c'); 6.3.1(d); 6.4.1(b) Treasury Regulation 7.2.1 Treasury Regulation 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1 Treasury Regulation 9.1.1; 9.1.4 Treasury Regulation 10.1.1(a); 10.1.2 Treasury Regulation 11.4.1; 11.4.2; 11.5.1 Treasury Regulation 12.5.1 Treasury Regulation 15.10.1.2(c') Treasury Regulation 16A3.1 ; 16A 3.2; 16A 3.2(a); 16A 6.1; 16A6.2(a) ,(b) & (e) ; 16A 6.3(a); 16A 6.3(a)(i);16A 6.3(b); 16A 6.3(c);16A6.3(d) ; 16A 6.3(e); 16A 6.4; 16A 6.5; 16A 6.6; 16A7.1; 16A.7.3; 16A.7.6; 16A.7.7;TR 16A8.2 (1) and (2); 16A 8.3 16A8.3 (d); 16A 8.4; 16A 9; 16A 9.1; 16A9.1(b) (ii);16A9.1 (c); 16A 9.1(d); 16A 9.1(e); 116A9.2; 16A9.2(a) (ii) &(iii); 16A9.1(f). Treasury Regulation 17.1.1 Treasury Regulation 18.2 Treasury Regulation 19.8.4
Public service regulation	Public service regulation 13(c); 18; 18 (1) and (2); 25(1)(e) (i); 25(1)(e)(iii)
Prevention and Combating of Corrupt Activities Act No.12 of 2004 (PRECCA)	Section 29 Section 34(1)
Construction Industry Development Board Act No.38 of 2000 (CIDB)	Section 18(1)
Construction Industry Development Board Regulations	CIDB regulation 17; 25(1); 25 (5) & 25(7A)
Preferential Procurement Policy Framework Act, 2000. (PPPFA)	Section 1(i); 2.1(a); 2.1(b); 2.1(f)

Legislation	Sections or regulations
Preferential Procurement Regulations, 2017 (PPR 2017)	Paragraph 4.1; 4.2 Paragraph 5.1; 5.3; 5.6; 5.7 Paragraph 6.1; 6.2; 6.3; 6.5; 6.6; 6.8 Paragraph 7.1; 7.2; 7.3; 7.5; 7.6; 7.8 Paragraph 8.2; 8.5 Paragraph 9.1; 9.2 Paragraph 10.1; 10.2 Paragraph 11.1; 11.2 Paragraph 12.1 and 12.2
Preferential Procurement Regulations, 2022 (PPR 2022)	Paragraph 3.1 Paragraph 4.1; 4.2; 4.3; 4.4 Paragraph 5.1; 5.2; 5.3; 5.4
SITA ACT	Section 7(3) Section 7(6)(b) Section 20(1)(a)(I)
SITA regulations	Regulation 8.1.1 (b); 8.1.4; 8.1.7 Regulation 9.6; 9.4 Regulation 12.3 Regulation 13.1 (a) Regulation 14.1; 14.2
PFMA SCM Instruction no. 09 of 2022/2023	Paragraph 3.1; 3.3 (b); 3.3 (c); 3.3 (e); 3.6
National Treasury Instruction No.1 of 2015/16	Paragraph 3.1; 4.1; 4.2
NT SCM Instruction Note 03 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4; 4.4(a); 4.4(c) -(d); 4.6 Paragraph 5.4 Paragraph 7.2; 7.6
NT SCM Instruction 4A of 2016/17	Paragraph 6
NT SCM Instruction Note 03 2019/20	Par 5.5.1(vi); Paragraph 5.5.1(x);
NT SCM Instruction Note 11 2020/21	Paragraph 3.1; 3.4 (b); 3.9
NT SCM Instruction note 2 of 2021/22	Paragraph 3.2.1; 3.2.2; 3.2.4(a) and (b); 3.3.1; 3.2.2 Paragraph 4.1
PFMA SCM Instruction 04 of 2022/23	Paragraph 4(1); 4(2); 4(4)
Practice Note 5 of 2009/10	Paragraph 3.3
PFMA SCM instruction 08 of 2022/23	Paragraph 3.2 Paragraph 4.3.2 and 4.3.3
Competition Act, 1998	Section 4(1)(b)(ii)
NT instruction note 4 of 2015/16	Paragraph 3.4
NT instruction 3 of 2019/20 - Annexure A	Section 5.5.1 (iv) and (x)
Second amendment of NTI 05 of 2020/21	Paragraph 4.8; 4.9; 5.1; 5.3
Erratum NTI 5 of 202/21	Paragraph 1 & 2
Practice note 7 of 2009/10	Paragraph 4.1.2
Practice note 11 of 2008/9	Paragraph 3.1 Paragraph 3.1 (b)
NT instruction note 1 of 2021/22	Par 4.1
Public Service Act, 1994	Section 30 (1)

2. Annual Financial Statements for the Year Ended 31 March 2023

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Appropriation Statement for the year ended 31 March 2023

Appropriation per programme		2022/23						2021/22	
Voted funds and direct charges	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of Final Budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
PROGRAMME									
Administration	863 992	-	(68 714)	795 278	759 928	35 350	95.6%	787 258	721 265
Trade Policy	235 815	-	(8 170)	227 645	222 660	4 985	97.8%	218 786	217 792
Spatial Industrial Development	166 835	-	(13 212)	153 623	146 928	6 695	95.6%	159 008	122 403
Industrial Policy	1 749 527	-	(15 401)	1 734 126	1 730 512	3 614	99.8%	1 638 387	1 638 076
Consumer and Corporate Regulation	343 803	-	(11 802)	332 001	331 511	490	99.9%	324 629	323 388
Industrial Financing	5 316 991	-	94 448	5 411 439	5 363 087	48 352	99.1%	6 494 979	6 465 945
Trade and Investment South Africa	365 839	-	32 393	398 232	397 829	403	99.9%	415 155	399 015
Invest South Africa	74 922	-	(5 742)	69 180	56 293	12 887	81.4%	65 653	53 713
Competition Policy	1 745 301	-	(2 350)	1 742 951	1 741 447	1 504	99.9%	1 643 136	1 634 534
Economic Research	50 528	-	(1 450)	49 078	48 237	841	98.3%	65 014	37 965
TOTAL	10 913 553	-	-	10 913 553	10 798 433	115 120	98.9%	11 812 005	11 614 096
Reconciliation with Statement of Financial Performance									
Add: Departmental receipts				151 942				122 072	
Actual amounts per Statement of Financial Performance (Total Revenue)				11 065 495				11 934 077	
Actual amounts per Statement of Financial Performance Expenditure					10 798 433				11 614 096

Appropriation Statement for the year ended 31 March 2023

Appropriation per economic classification	2022/23						2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of Final Budget	Final Budget
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Current payments	1 769 770	(6 525)	(79 135)	1 684 110	1 639 376	44 734	97.3%	1 650 191
Compensation of employees	1 081 666	-	-	1 081 666	1 046 433	35 233	96.7%	1 064 551
Goods and services	688 104	(6 525)	(79 135)	602 444	592 943	9 501	98.4%	585 640
Transfers and subsidies	9 130 708	5 156	79 004	9 214 868	9 153 747	61 121	99.3%	10 140 376
Departmental agencies and accounts	1 247 833	-	-	1 247 833	1 247 833	-	100.0%	1 294 699
Foreign governments and international organisations	44 073	-	(2 900)	41 173	35 009	6 164	85.0%	30 656
Public corporations and private enterprises	7 670 588	-	85 200	7 755 788	7 701 144	54 644	99.3%	8 654 631
Non-profit institutions	165 437	-	(5 636)	159 801	159 801	-	100.0%	153 334
Households	2 777	5 156	2 340	10 273	9 961	312	97.0%	7 056
Payments for capital assets	13 074	-	-	13 074	4 118	8 956	31.5%	20 321
Machinery and equipment	9 147	-	200	9 347	2 112	7 235	22.6%	17 058
Software and other intangible assets	3 927	-	(200)	3 727	2 006	1 721	53.8%	3 263
Payment for financial assets	1	1 369	131	1 501	1 191	310	79.4%	1 117
TOTAL	10 913 553	-	-	10 913 553	10 798 433	115 120	98.9%	11 812 005
								11 614 096

Appropriation Statement for the year ended 31 March 2023

PROGRAMME 1: ADMINISTRATION		2022/23						2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of Final Budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub-programme									
Ministry	47 850	(6 190)	-	41 660	38 657	3 003	92.8%	41 860	33 932
Office of the Director-General	75 029	6 449	617	82 095	77 033	5 062	93.8%	88 210	82 349
Corporate Management Services	606 340	-	(59 145)	547 195	522 322	24 873	95.5%	510 144	489 945
Office Accommodation	3 150	-	-	3 150	2 571	579	81.6%	3 937	3 060
Financial Management	74 437	1 691	(5 501)	70 627	68 803	1 824	97.4%	87 080	66 866
Marketing Communication and Media Relations	57 186	(1 950)	(4 685)	50 551	50 542	9	99.8%	56 027	45 113
TOTAL	863 992	-	(68 714)	795 278	759 928	35 350	95.6%	787 258	721 265
Economic classification									
Current payments	853 911	(2 500)	(68 714)	782 697	754 373	28 324	96.4%	769 177	715 330
Compensation of employees	305 937	-	19 300	325 237	305 468	19 769	93.9%	312 955	305 345
Goods and services	547 974	(2 500)	(88 014)	457 460	448 905	8 555	98.1%	456 222	409 985
Transfers and subsidies	397	1 500	-	1 897	1 886	11	99.4%	2 527	2 520
Households	397	1 500	-	1 897	1 886	11	99.4%	2 527	2 520
Payments for capital assets	9 684	-	-	9 684	2 933	6 751	30.3%	14 464	2 325
Machinery and equipment	6 524	-	-	6 524	927	5 597	14.2%	11 538	2 325
Software and other intangible assets	3 160	-	-	3 160	2 006	1 154	63.5%	2 926	-
Payment for financial assets	-	1 000	-	1 000	736	264	73.6%	1 090	1 090
TOTAL	863 992	-	(68 714)	795 278	759 928	35 350	95.6%	787 258	721 265

Appropriation Statement for the year ended 31 March 2023

PROGRAMME 2: TRADE POLICY	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of Final Budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub-programme									
International Trade Development	218 520	(391)	(5 117)	213 012	208 864	4 148	98.1%	204 858	203 866
African Multilateral Economic Development	17 295	391	(3 053)	14 633	13 796	837	94.3%	13 928	13 926
TOTAL	235 815	-	(8 170)	227 645	222 660	4 985	97.8%	218 786	217 792
Economic classification									
Current payments	94 732	(10)	(5 270)	89 452	88 609	843	99.1%	82 768	82 743
Compensation of employees	86 242	-	(5 000)	81 242	80 408	834	99.0%	80 178	80 176
Goods and services	8 490	(10)	(270)	8 210	8 201	9	99.9%	2 590	2 567
Transfers and subsidies	140 227	10	(2 900)	137 337	134 051	3 286	97.6%	135 189	135 030
Departmental agencies and accounts	109 996	-	-	109 996	109 996	-	100.0%	113 876	113 876
Foreign governments and international organisations	24 292	-	(2 900)	21 392	18 657	2 735	87.2%	17 452	17 452
Public corporations and private enterprises	5 468	-	-	5 468	4 920	548	90.0%	3 807	3 648
Households	471	10	-	481	478	3	99.4%	54	54
Payments for capital assets	856	-	-	856	-	856	-	810	-
Machinery and equipment	856	-	-	856	-	856	-	810	-
Payment for financial assets	-	-	-	-	-	-	-	19	19
TOTAL	235 815	-	(8 170)	227 645	222 660	4 985	97.8%	218 786	217 792

Appropriation Statement for the year ended 31 March 2023

PROGRAMME 3: SPATIAL INDUSTRIAL DEVELOPMENT	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of Final Budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub-programme									
Enterprise Competitiveness	30 147	(89)	(389)	29 669	28 368	1 301	95.6%	33 121	31 296
Equity and Empowerment	60 526	88	(7 588)	53 026	51 105	1 921	96.4%	78 854	48 627
Regional Industrial Development	76 162	1	(5 235)	70 928	67 455	3 473	95.1%	47 033	42 480
TOTAL	166 835	-	(13 212)	153 623	146 928	6 695	95.6%	159 008	122 403
Economic classification									
Current payments	111 792	(800)	(12 712)	98 280	91 758	6 522	93.4%	126 214	89 790
Compensation of employees	86 437	-	(5 000)	81 437	75 109	6 328	92.2%	78 131	78 127
Goods and services	25 355	(800)	(7 712)	16 843	16 649	194	98.8%	48 083	11 663
Transfers and subsidies	54 448	800	-	55 248	55 170	78	99.9%	32 277	32 276
Departmental agencies and accounts	10 558	-	-	10 558	10 558	-	100.0%	14 628	14 628
Public corporations and private enterprises	42 104	-	-	42 104	42 104	-	100.0%	15 447	15 447
Non-profit institutions	1 690	-	-	1 690	1 690	-	100.0%	1 644	1 644
Households	96	800	-	896	818	78	91.2%	558	557
Payments for capital assets	595	-	(500)	95	-	95	-	517	337
Machinery and equipment	342	-	(300)	42	-	42	-	180	-
Software and other intangible assets	253	-	(200)	53	-	53	-	337	337
TOTAL	166 835	-	(13 212)	153 623	146 928	6 695	95.6%	159 008	122 403

Appropriation Statement for the year ended 31 March 2023

PROGRAMME 4: INDUSTRIAL POLICY	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of Final Budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub-programme									
Industrial Competitiveness	934 121	975	593	935 689	932 227	3 462	99.6%	949 317	949 029
Customised Sector Programmes	815 406	(975)	(15 994)	798 437	798 286	151	99.8%	689 070	689 047
TOTAL	1 749 527	-	(15 401)	1 734 126	1 730 512	3 614	99.8%	1 638 387	1 638 076
Economic classification									
Current payments	125 013	-	(10 065)	114 948	114 854	94	99.9%	110 541	110 535
Compensation of employees	112 562	-	(8 500)	104 062	103 986	76	99.9%	107 438	107 436
Goods and services	12 451	-	(1 565)	10 886	10 868	18	99.8%	3 103	3 099
Transfers and subsidies	1 624 436	-	(5 336)	1 619 100	1 615 658	3 442	99.8%	1 527 826	1 527 541
Departmental agencies and accounts	377 084	-	-	377 084	377 084	-	100.0%	438 782	438 782
Foreign governments and international organisations	10 574	-	-	10 574	7 146	3 428	67.6%	7 490	7 207
Public corporations and private enterprises	1 072 902	-	-	1 072 902	1 072 902	-	100.0%	928 384	928 384
Non-profit institutions	163 747	-	(5 636)	158 111	158 111	-	100.0%	151 690	151 689
Households	129	-	300	429	416	13	96.9%	1 480	1 479
Payments for capital assets	78	-	-	78	-	78	-	20	-
Machinery and equipment	78	-	-	78	-	78	-	20	-
TOTAL	1 749 527	-	(15 401)	1 734 126	1 730 512	3 614	99.8%	1 638 387	1 638 076

Appropriation Statement for the year ended 31 March 2023

PROGRAMME 5: CONSUMER AND CORPORATE REGULATION	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of Final Budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub-programme									
Policy and Legislative Development	23 645	(2 113)	(2 799)	18 733	18 728	5	99.8%	19 541	19 482
Enforcement and Compliance	37 532	2 741	(6 931)	33 342	33 076	266	99.2%	36 488	36 298
Regulatory Services	282 626	(628)	(2 072)	279 926	279 708	218	99.9%	268 600	267 608
TOTAL	343 803	-	(11 802)	332 001	331 511	490	99.9%	324 629	323 388
Economic classification									
Current payments	75 773	(466)	(11 936)	63 371	63 098	273	99.6%	67 769	66 733
Compensation of employees	61 133	-	(4 500)	56 633	56 370	263	99.5%	59 219	58 189
Goods and services	14 640	(466)	(7 436)	6 738	6 728	10	99.9%	8 550	8 544
Transfers and subsidies	267 863	97	3	267 963	267 958	5	99.8%	256 702	256 655
Departmental agencies and accounts	258 391	-	-	258 391	258 391	-	100.0%	250 893	250 893
Foreign governments and international organisations	9 207	-	-	9 207	9 206	1	99.8%	5 714	5 668
Households	265	97	3	365	361	4	98.9%	95	94
Payments for capital assets	167	-	-	167	-	167	-	158	-
Machinery and equipment	167	-	-	167	-	167	-	158	-
Payment for financial assets	-	369	131	500	454	46	90.9%	-	-
TOTAL	343 803	-	(11 802)	332 001	331 511	490	99.9%	324 629	323 388

Appropriation Statement for the year ended 31 March 2023

PROGRAMME 6: INDUSTRIAL FINANCING	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of Final Budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
SUB-PROGRAMME									
Broadening Participation and Industrial Incentives	79 044	115	(49 464)	29 695	29 693	2	99.8%	27 446	22 139
Manufacturing Incentives	2 497 276	8 663	1 187 471	3 693 410	3 678 384	15 026	99.6%	3 673 664	3 661 980
Services Investment Incentives	883 230	(4 363)	119 920	998 787	997 242	1 545	99.8%	871 419	871 180
Infrastructure Investment Support	1 822 641	3 578	(1 163 515)	662 704	630 948	31 756	95.2%	1 895 967	1 884 168
Product and Systems Development	17 133	(5 621)	-	11 512	11 510	2	99.8%	11 755	11 753
Strategic Partnership and Customer Care	17 667	(2 372)	36	15 331	15 310	21	99.9%	14 728	14 725
TOTAL	5 316 991	-	94 448	5 411 439	5 363 087	48 352	99.1%	6 494 979	6 465 945
Economic classification									
Current payments	156 833	-	4 738	161 571	161 521	50	99.8%	150 414	150 384
Compensation of employees	137 822	-	4 200	142 022	142 011	11	99.8%	139 315	139 308
Goods and services	19 011	-	538	19 549	19 510	39	99.8%	11 099	11 076
Transfers and subsidies	5 160 158	-	89 710	5 249 868	5 201 566	48 302	99.1%	6 344 565	6 315 561
Public corporations and private enterprises	5 159 161	-	90 200	5 249 361	5 201 069	48 292	99.1%	6 343 232	6 314 230
Households	997	-	(490)	507	497	10	99.8%	1 333	1 331
TOTAL	5 316 991	-	94 448	5 411 439	5 363 087	48 352	99.1%	6 494 979	6 465 945

Appropriation Statement for the year ended 31 March 2023

PROGRAMME 7: TRADE AND INVESTMENT SOUTH AFRICA	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of Final Budget	Final Budget	Actual Expenditure
Sub-programme	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Trade Invest Africa	21 183	(1 965)	119	19 337	19 294	43	99.8%	19 123	19 120
Export Promotion and Marketing	37 933	4 842	1 416	44 191	43 915	276	99.4%	40 554	40 139
Trade and Investment Foreign Services Management Unit	291 679	204	30 748	322 631	322 554	77	99.8%	341 599	327 603
Export Development and Support	15 044	(3 081)	110	12 073	12 067	6	99.8%	13 879	12 153
TOTAL	365 839	-	32 393	398 232	397 829	403	99.9%	415 155	399 015
Economic classification									
Current payments	214 976	(2 469)	30 162	242 669	242 333	336	99.9%	203 887	190 226
Compensation of employees	178 162	-	7 700	185 862	185 586	276	99.9%	165 914	152 272
Goods and services	36 814	(2 469)	22 462	56 807	56 747	60	99.9%	37 973	37 954
Transfers and subsidies	150 139	2 469	1 731	154 339	154 310	29	99.8%	208 657	208 657
Public corporations and private enterprises	150 000	-	-	150 000	150 000	-	100.0%	208 078	208 078
Households	139	2 469	1 731	4 339	4 310	29	99.3%	579	579
Payments for capital assets	723	-	500	1 223	1 185	38	96.9%	2 603	125
Machinery and equipment	723	-	500	1 223	1 185	38	96.9%	2 603	125
Payment for financial assets	1	-	-	1	1	-	100.0%	8	7
TOTAL	365 839	-	32 393	398 232	397 829	403	99.9%	415 155	399 015

Appropriation Statement for the year ended 31 March 2023

PROGRAMME 8: INVEST SOUTH AFRICA	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of Final Budget	Final Budget	Actual Expenditure
Sub-programme	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Investment Promotion	49 813	483	(742)	49 554	49 049	505	99,0%	49 476	47 281
Investment and Interdepartmental Clearing House	21 215	(483)	(5 000)	15 732	6 509	9 223	41,4%	15 589	6 430
Investor Support and Aftercare	3 894	-	-	3 894	735	3 159	18,9%	588	2
TOTAL	74 922	-	(5 742)	69 180	56 293	12 887	81,4%	65 653	53 713
Economic classification									
Current payments	57 768	(76)	(842)	56 850	50 081	6 769	88,1%	49 845	47 410
Compensation of employees	50 359	-	-	50 359	43 873	6 486	87,1%	44 777	44 777
Goods and services	7 409	(76)	(842)	6 491	6 208	283	95,6%	5 068	2 633
Transfers and subsidies	16 941	76	(4 900)	12 117	6 212	5 905	51,3%	15 303	6 303
Public corporations and private enterprises	16 804	-	(5 000)	11 804	6 000	5 804	50,8%	15 000	6 000
Households	137	76	100	313	212	101	67,7%	303	303
Payments for capital assets	213	-	-	213	-	213	-	505	-
Machinery and equipment	213	-	-	213	-	213	-	505	-
TOTAL	74 922	-	(5 742)	69 180	56 293	12 887	81,4%	65 653	53 713

Appropriation Statement for the year ended 31 March 2023

PROGRAMME 9: COMPETITION POLICY	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of Final Budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub-programme									
Economic Planning and advisory	7 958	3 868	2 643	14 469	14 204	265	98.2%	10 623	10 579
Implementation and Coordination	1 731 486	(3 989)	(4 076)	1 723 421	1 723 014	407	99.8%	1 626 984	1 620 052
Investment and Development	3 578	549	-	4 127	4 089	38	99.1%	3 888	3 852
Competition Oversight	2 279	(428)	(917)	934	140	794	15.0%	1 641	51
TOTAL	1 745 301	-	(2 350)	1 742 951	1 741 447	1 504	99.9%	1 643 136	1 634 534
Economic classification									
Current payments	29 042	(135)	(2 365)	26 542	25 298	1 244	95.3%	25 590	22 247
Compensation of employees	24 508	-	(5 000)	19 508	18 479	1 029	94.7%	23 041	19 707
Goods and services	4 534	(135)	2 635	7 034	6 820	214	97.0%	2 549	2 540
Transfers and subsidies	1 716 015	135	15	1 716 165	1 716 149	16	99.8%	1 617 316	1 612 287
Departmental agencies and accounts	491 804	-	-	491 804	491 804	-	100.0%	476 520	476 520
Public corporations and private enterprises	1 224 149	-	-	1 224 149	1 224 149	-	100.0%	1 140 683	1 135 655
Households	62	135	15	212	196	16	92.3%	113	112
Payments for capital assets	244	-	-	244	-	244	-	230	-
Machinery and equipment	244	-	-	244	-	244	-	230	-
TOTAL	1 745 301	-	(2 350)	1 742 951	1 741 447	1 504	99.9%	1 643 136	1 634 534

Appropriation Statement for the year ended 31 March 2023

PROGRAMME 10: ECONOMIC RESEARCH	2022/23							2021/22	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of Final Budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub-programme									
Economic Research and Policy Coordination	27 495	2 624	1 069	31 188	30 555	633	98.0%	38 440	19 642
Macroeconomic and Microeconomic Policy	11 439	(249)	(1 472)	9 718	9 716	2	99.8%	13 383	8 583
Growth Path and Decent Work	11 594	(2 375)	(1 047)	8 172	7 966	206	97.5%	13 191	9 740
TOTAL	50 528	-	(1 450)	49 078	48 237	841	98.3%	65 014	37 965
Economic classification									
Current payments	49 930	(69)	(2 131)	47 730	47 450	280	99.4%	63 986	37 951
Compensation of employees	38 504	-	(3 200)	35 304	35 144	160	99.5%	53 583	33 169
Goods and services	11 426	(69)	1 069	12 426	12 306	120	99.0%	10 403	4 782
Transfers and subsidies	84	69	681	834	787	47	94.4%	14	14
Households	84	69	681	834	787	47	94.4%	14	14
Payments for capital assets	514	-	-	514	-	514	-	1 014	-
Machinery and equipment	-	-	-	-	-	-	-	1 014	-
Software and other intangible assets	514	-	-	514	-	514	-	-	-
TOTAL	50 528	-	(1 450)	49 078	48 237	841	98.3%	65 014	37 965

3. Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in note 7 (transfers and subsidies) and Annexure 1 (A-E) to the Annual Financial Statements.

4. Detail of specifically and exclusively appropriated amounts voted (after Virement):

Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

5. Detail on payments for financial assets

Detail of these transactions per programme can be viewed in Note 6 (Payments for financial assets) to the Annual Financial Statements.

6. Explanations of material variances from amounts voted (after Virement):

4.1 Per programme:	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
ADMINISTRATION	795 278	759 928	35 350	4.4%
Spending is R35.3 million or 4.4% less than the budget for the programme because of the continued use of virtual platforms for some business meetings and engagements, as well as certain information and communication technology initiatives that could not be finalised.				
TRADE POLICY	227 645	222 660	4 985	2.2%
Spending is R4.9 million or 2.2% less than the budget for the programme because of vacant posts and exchange rate fluctuations on payments made to certain international organisations, of which South Africa is a member.				
SPATIAL INDUSTRIAL DEVELOPMENT	153 623	146 928	6 695	4.4%
The programme's spending is R6.7 million or 4.4% less than the budget due to vacant posts and the continued use of virtual platforms for some business engagements and meetings.				
INVEST SOUTH AFRICA	69 180	56 293	12 887	18.6%
The programme's spending is R12.9 million or 18.6% less than the budget because of vacant posts and compliance documentation that were yet to be received on some of the provincial One-Stop Shops, which are required before payments are made.				

4.2 Per economic classification:	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Current expenditure				
¹ Compensation of employees	1 081 666	1 046 433	35 233	3.3%
Goods and services	602 444	592 943	9 501	1.6%
Transfers and subsidies				
Provinces and municipalities	-	-	-	0.0%
Departmental agencies and accounts	1 247 833	1 247 833	-	0.0%
² Public corporations and private enterprises	7 755 788	7 701 144	54 644	0.7%
³ Foreign governments and international organisations	41 173	35 009	6 164	15.0%
Non-profit institutions	159 801	159 801	-	0.0%
Households	10 273	9 961	312	3.0%
⁴Payments for capital assets				
Machinery and equipment	9 347	2 112	7 235	77.4%
Software and other intangible assets	3 727	2 006	1 721	46.2%
Payments for financial assets	1 501	1 191	310	20.6%

Economic classification

¹Vacant posts and employee movements (i.e. retirements, resignations, transfers out of the department)

²Compliance documentation that were yet to be received on some of the provincial One-Stop Shops, which are required before payments are made.

Delays experienced during construction at various industrial parks – as well as some claims that were received with incomplete documentation, which are required as proof of investment and project performance, before payments can be made.

³Exchange rate fluctuations on payments made to certain international organisations, of which South Africa is a member.

⁴Certain information and communication technology initiatives that could not be finalised.

Statement of Financial Performance as at 31 March 2023

		2022/23 R'000	2021/22 R'000
	<i>Note</i>		
REVENUE			
Annual appropriation	1	10 913 553	11 812 005
Departmental revenue	2	151 942	122 072
Aid assistance	3	-	-
TOTAL REVENUE		11 065 495	11 934 077
EXPENDITURE			
Current expenditure			
Compensation of employees	4	1 046 433	1 018 506
Goods and services	5	592 943	494 843
Aid assistance	3	-	-
Total current expenditure		1 639 376	1 513 349
Transfers and subsidies			
Transfers and subsidies	7	9 153 748	10 096 844
Aid assistance	3	-	-
Total transfers and subsidies		9 153 748	10 096 844
Expenditure for capital assets			
	8		
Tangible assets		2 112	2 450
Intangible assets		2 006	337
Total expenditure for capital assets		4 118	2 787
Payments for financial assets	6	1 191	1 116
TOTAL EXPENDITURE		10 798 433	11 614 096
SURPLUS/(DEFICIT) FOR THE YEAR		267 062	319 981
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds		115 120	197 909
Annual appropriation		115 120	197 909
Departmental revenue and NRF Receipts	15	151 942	122 072
Aid assistance	3	-	-
SURPLUS/(DEFICIT) FOR THE YEAR		267 062	319 981

Statement of Financial Position as at 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
ASSETS			
Current Assets		202 178	255 265
Cash and cash equivalents	9	106 076	176 375
Other financial assets	10	724	216
Prepayments and advances	11	88 377	71 806
Receivables	12	7 001	6 868
Non-Current Assets		1 409 965	1 410 410
Investments	13	1 392 969	1 392 969
Receivables	12	16 464	16 185
Other financial assets	10	532	1 256
TOTAL ASSETS		1 612 143	1 665 675
LIABILITIES			
Current Liabilities		206 635	258 478
Voted funds to be surrendered to the Revenue Fund	14	115 116	192 090
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	15	2 895	4 204
Payables	16	88 624	62 184
Aid assistance repayable	3	-	-
Non-Current Liabilities			
Payables		-	-
TOTAL LIABILITIES		206 635	258 478
NET ASSETS		1 405 508	1 407 197
Represented by:			
Capitalisation reserve		1 392 969	1 392 969
Recoverable revenue		12 539	14 228
TOTAL		1 405 508	1 407 197

Statement of Changes in Net Assets for the year ended 31 March 2023

	Note	R'000 2022/23	R'000 2021/22
NET ASSETS			
Capitalisation Reserves			
Opening balance		1 392 969	1 392 969
Closing balance		1 392 969	1 392 969
 Recoverable Revenue			
Opening balance		14 228	15 370
Transfers		(1 689)	(1 142)
Irrecoverable amounts written off	6.2	(334)	(951)
Debts revised		(940)	(2 716)
Debts recovered (included in departmental receipts)		(63 719)	(61 485)
Debts raised		63 304	64 010
Closing balance		12 539	14 228
 TOTAL		1 405 508	1 407 197

Cash Flow Statement for the year ended 31 March 2023

		2022/23	2021/22
	Note	R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		11 064 893	11 928 260
Annual appropriated funds received	1	10 913 552	11 806 188
Departmental revenue received	2	150 386	121 378
Interest received	2.3	955	694
Aid assistance received	3	-	-
Net (increase)/decrease in working capital		9 736	(82 636)
Surrendered to Revenue Fund		(345 344)	(361 795)
Surrendered to RDP Fund/Donor	3	-	(17 511)
Current payments		(1 639 376)	(1 513 349)
Payments for financial assets		(1 191)	(1 116)
Transfers and subsidies paid		(9 153 748)	(10 096 844)
Net cash flow available from operating activities	17	(65 030)	(144 991)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	8	(4 118)	(2 787)
Proceeds from sale of capital assets	2.4	601	-
(Increase)/decrease in other financial assets		216	(52)
(Increase)/decrease in non-current receivables	12	(279)	1 953
Net cash flows from investing activities		(3 580)	(886)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		(1 689)	(1 142)
Net cash flows from financing activities		(1 689)	(1 142)
Net increase/(decrease) in cash and cash equivalents		(70 299)	(147 019)
Cash and cash equivalents at beginning of period		176 375	323 394
Cash and cash equivalents at end of period	18	106 076	176 375

Accounting policies for the year ended 31 March 2023

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act, Act 1 of 2010.

1. Financial Statement Presentation

1.1. Basis of preparation

The financial statements have been prepared in accordance with the Modified Cash Standard.

1.2. Going concern

The financial statements have been prepared on a going concern basis.

1.3. Presentation currency

Amounts have been presented in the currency of South African Rand (R), which is also the functional currency of the department.

1.4. Rounding

Unless otherwise stated, financial figures have been rounded to the nearest one thousand Rand (R'000).

Unless otherwise stated percentages have been rounded to the nearest one decimal, where applicable.

1.5. Foreign currency translation

Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment/receipt.

1.6. Comparative information

1.6.1. Prior period comparative information

Prior period comparative information has been presented in the current year's financial statements. Where necessary, figures included in the prior period's financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

1.6.2. Current year comparison with budget

A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

2. Revenue

2.1. Appropriated funds

Appropriated funds comprises departmental allocations.

Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.

The net amount of any appropriated funds due to/from the relevant revenue fund at the reporting date is recognised as a payable/receivable in the statement of financial position.

Appropriated funds are measured at the amounts receivable.

2.2. Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received, and is subsequently paid into the relevant revenue fund, unless stated otherwise.

Departmental revenue is measured at the cash amount received.

In-kind donations received are recorded in the notes to the financial statements on the date of receipt, and are measured at fair value.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

2.2.1 Tax revenue

Tax revenue consists of all compulsory unrequited amounts collected by the department in accordance with laws and/or regulations (excluding fines, penalties and forfeits).

Tax receipts are recognised in the statement of financial performance when received.

2.2.2 Sale of goods and services other than capital assets

The proceeds received from the sale of goods and/or the provision of services is recognised in the statement of financial performance when the cash is received.

2.2.3 Fines, penalties and forfeits

Revenue arising from fines, penalties and forfeits is recognised in the statement of financial performance when the cash is received.

2.2.4 Interest, dividends and rent on land

Interest, dividends and rent on land are recognised in the statement of financial performance when the cash is received.

2.2.5 Sale of capital assets

The proceeds received on the sale of capital assets are recognised in the statement of financial performance when the cash is received.

2.2.6 Transactions in financial assets and liabilities

Financial assets include repayment of debts and amounts written off, and are recognised as revenue in the statement of financial performance when cash is received or once debt is approved to be written off. Foreign exchange gains are recognised in the statement of financial performance on payment of funds. The foreign exchange rate on the date of payment is used for the translation of the foreign currency to South African Rands.

2.2.7 Transfers received (including gifts, donations and sponsorships)

All cash gifts, donations and sponsorships are paid into the National Revenue Fund and recorded as revenue in the statement of financial performance when received. Amounts receivable at the reporting date are disclosed in the notes to the financial statements.

2.2.8 Accrued departmental revenue

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the department; and
- The amount of revenue can be measured reliably.

The accrued revenue is measured at the fair value of the consideration receivable.

Accrued tax revenue (and related interest and/or penalties) is measured at amounts receivable from collecting agents.

Write-offs are made according to the department's debt write-off policy.

2.3. Aid assistance

2.3.1 Aid assistance received

Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt, and is measured at fair value.

Aid assistance not spent for the intended purpose, and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.

2.3.2 Aid assistance paid

Aid assistance paid is recognised in the statement of financial performance on the date of payment.

3. Expenditure

3.1. Compensation of employees

3.1.1 Salaries and wages

Salaries and wages are recognised in the statement of financial performance on the date of payment.

3.1.2 Social contributions

Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.

Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.

3.2. Goods and services

Payments made during the year for goods and/or services are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the accounting system of the department.

3.3. Payment for financial assets

Receivables are written off when identified as irrecoverable. Receivables written-off are limited to the amount of savings and/or underspending of appropriated funds. The write-off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts, but an estimate of the amount to be impaired is indicated as a disclosure note to the financial statements.

Foreign exchange losses are recognised in the statement of financial performance on the payment of funds. The foreign exchange rate on the date of payment is used for the translation of the foreign currency to South African Rands.

All other losses are recognised in the statement of financial performance when identified.

3.4. Transfers and subsidies

Transfers and subsidies are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the accounting system of the department.

Donations made in kind are recorded in the notes to the financial statements on the date of transfer, and are measured at cost or fair value.

3.5. Unauthorised expenditure

Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

Unauthorised expenditure is recognised in the statement of changes in net assets until such time as the expenditure is either:

- Approved by Parliament or the Provincial Legislature with funding and the related funds are received; or
- Approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or
- Transferred to receivable for recovery.

Unauthorised expenditure recorded in the notes to the financial statements comprise:

- Unauthorised expenditure that was under assessment in the previous financial year;
- Unauthorised expenditure relating to the previous financial year, and identified in the current year; and
- Unauthorised expenditure incurred in the current year.

3.6. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered, and is de-recognised when settled or subsequently written off as irrecoverable. The receivable is measured at the amount that is expected to be recovered, and is de-recognised when settled or subsequently written off as irrecoverable.

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed, and comprises:

- Fruitless and wasteful expenditure that was under assessment in the previous financial year;
- Fruitless and wasteful expenditure relating to the previous financial year, and identified in the current year; and
- Fruitless and wasteful expenditure incurred in the current year.

3.7. Irregular expenditure

Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered, and is de-recognised when settled or subsequently written off as irrecoverable. Irregular expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises:

- Irregular expenditure that was under assessment in the previous financial year;
- Irregular expenditure relating to the previous financial, and identified in the current year; and
- Irregular expenditure incurred in the current year.

3.8. Payments for capital assets

Payments made for capital assets are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the accounting system of the department. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.

4. Assets

4.1. Cash and cash equivalents

Cash and cash equivalents are stated in the statement of financial position at cost.

Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash-on-hand, deposits held, other short-term highly liquid investments and bank overdrafts.

4.2. Other financial assets

A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Accounting policies for the year ended 31 March 2023

At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written off.

4.3. Prepayments and advances

Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost.

4.4. Receivables

Receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written off. Write-offs are made according to the department's write-off policy.

4.5. Impairment of financial assets

Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.

4.6. Investments

Investments are recognised in the statement of financial position at cost.

4.7. Capital assets

4.7.1 Movable capital assets

Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value, and where fair value cannot be determined, the movable assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1.

Movable capital assets are subsequently carried at cost and not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.

4.7.2 Intangible assets

Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.

Accounting policies for the year ended 31 March 2023

Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.

Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value, and where fair value cannot be determined, the intangible assets are measured at R1.

All assets acquired before 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.

Intangible assets are subsequently carried at cost and not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.

4.7.3 Project costs: Work-in-progress

Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.

Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.

Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.

5. Liabilities

5.1. Voted funds to be surrendered to the Revenue Fund

Unexpended appropriated funds are surrendered to the National Revenue Fund. Amounts owing to the National Revenue Fund at the end of the financial year are recognised as liabilities in the statement of financial position.

5.2. Departmental revenue to be surrendered to the Revenue Fund

Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the statement of financial position at cost.

5.3. Payables

Payables are recognised at cost in the statement of financial position.

5.4. Contingent liabilities

Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department; or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation; or the amount of the obligation cannot be measured reliably.

5.5. Contingent assets

Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.

5.6. Capital commitments

Capital commitments are recorded at cost in the notes to the financial statements.

5.7. Accruals not recognised

Accruals are liabilities to pay for goods and services that have been received or supplied before year-end, but have not yet been formally paid or invoiced at year-end.

Accruals are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance, but are indicated in the notes to the financial statements.

Accrued expenditure payable is measured at cost.

5.8. Payables not recognised

Payables are liabilities to pay for goods and services that have been received or supplied and have been formally invoiced before year-end, but not yet been paid at year-end.

Payables are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance, but are indicated in the notes to the financial statements.

5.9. Leases

5.9.1 Finance leases

Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment.

The finance lease commitments are recorded in the notes to the financial statements, and are not apportioned between the capital and interest portions.

Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:

- Cost, being the fair value of the asset; or
- The sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

5.9.2 Operating leases

Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment.

The operating lease commitments are recorded in the notes to the financial statements.

5.10. Provisions

Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past, and it is probable that an outflow of resources embodying economic benefits or service potential will be required

to settle the obligation, and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

5.11. Employee benefits

The value of each major class of employee benefit obligation (accruals, payables not recognised, and provisions) is disclosed in the employee benefit note.

Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date.

The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

6. Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National Revenue Fund when recovered, or transferred to the statement of financial performance when written off.

7. Capitalisation reserve

The capitalisation reserve comprises financial assets and/or liabilities originating in a prior reporting period, but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period, and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.

8. Related party transactions

A related party transaction within the Minister's portfolio is recorded in the notes to the financial statements when the transaction is not at arm's length.

The full compensation of key management personnel is recorded in the notes to the financial statements.

9. Public-private partnerships (PPPs)

PPPs are accounted for based on the nature and/or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.

A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof, together with the description and nature of the unitary fees paid, rights and obligations of the department, are recorded in the notes to the financial statements.

10. Changes in accounting policies, accounting estimates and errors

Changes in accounting estimates are applied prospectively in accordance with MCS requirements.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance

Accounting policies for the year ended 31 March 2023

with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or cumulative effect of the error. In such cases, the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

11. Events after the reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.

1. Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act for National Departments (Voted funds).

Annual Appropriation	2022/23			2021/22		
	Final Budget	Actual Funds Received	Funds not requested/not received	Final Budget	Appropriation Received	Funds not requested/not received
Programmes	R'000	R'000	R'000	R'000	R'000	R'000
Administration	795 278	795 278	-	787 258	787 258	-
Trade policy	227 645	227 645	-	218 786	218 786	-
Spatial industrial development	153 623	153 623	-	159 008	159 008	-
Industrial policy	1 734 126	1 734 126	-	1 638 387	1 638 387	-
Consumer and corporate regulation	332 001	332 001	-	324 629	324 629	-
Industrial financing	5 411 439	5 411 439	-	6 494 979	6 489 162	5 817
Trade and Investment South Africa	398 232	398 231	1	415 155	415 155	-
Invest South Africa	69 180	69 180	-	65 653	65 653	-
Competition policy	1 742 951	1 742 951	-	1 643 136	1 643 136	-
Economic research	49 078	49 078	-	65 014	65 014	-
Total	10 913 553	10 913 552	1	11 812 005	11 806 188	5 817

The funds not requested of R1 thousand rand was as a result of rounding off in figures when compared to the actual funds requested. The department will not request the amount to be rolled over in the next financial year.

	Note	2022/23 R'000	2021/22 R'000
2. Departmental revenue			
Tax revenue*		7 488	6 907
Sales of goods and services other than capital assets	2.1	797	666
Fines, penalties and forfeits	2.2	75 943	48 944
Transactions in financial assets and liabilities	2.5	66 158	64 861
Departmental revenue received		150 386	121 378
Interest, dividends and rent on land	2.3	955	694
Sales of capital assets	2.4	601	-
Departmental revenue collected		151 942	122 072

*Tax revenue relates to fees charged for liquor licences granted to businesses for the sale and distribution of liquor in terms of the Liquor Act no. 59 of 2003.

2022/23
R'0002021/22
R'000**2.1. Sales of goods and services other than capital assets**

Sales of goods and services produced by the department

	620	598
Sales by market establishment*	277	271
Administrative fees	1	1
Other sales**	342	326
Sales of scrap, waste and other used current goods	177	68
Total	797	666

*Sales by market establishment relates to revenue received in respect of parking rental.

**Other sales comprise commission charged on the deduction of insurance premiums and patent examination fees.

2.2. Fines, penalties and forfeits

Fines	-	-
Penalties*	75 943	48 944
Forfeits	-	-
Total	75 943	48 944

Of the total R75,9 million received, R70,6 million relates to the Tirisano Construction Fund.

2.3. Interest, dividends and rent on land

Interest	955	694
Total	955	694

2.4. Sales of capital assets

Tangible capital assets	601	-
Machinery and equipment	601	-
Total	601	-

Sales of capital assets relates to the auctioning of departmental motor vehicles.

2022/23
R'000

2021/22
R'000

2.5. Transactions in financial assets and liabilities

Receivables	63 890	61 816
Forex gain	62	49
Other Receipts including Recoverable Revenue	2 206	2 996
Total	66 158	64 861

2.6. Donations received in kind (not included in main note)

Courtesy gifts	19	12
20 hard copy textbooks	16	-
Sponsored venue and lunch for Industry outreach	-	8
Sponsored trip and accommodation for the dtic officials	1 259	93
Total	1 294	113

2.7. Cash received not recognised (not included in the main note) – 2022/23

Name of entity	Amount received R'000	Amount paid to Revenue Fund R'000	Balance R'000
National Consumer Tribunal	742	737	5
Competition Commission	236 673	172 290	64 383
National Gambling Board	273	-	273
South African National Accreditation System	14 849	-	14 849
National Consumer Commission	135	113	22
National Credit Regulator	662	652	10
Companies and Intellectual Property Commission	197 316	197 316	-
National Regulator for Compulsory Specifications	54 526	54 526	-
National Metrology Institute of South Africa	1 134	1 134	-
Total	506 310	426 768	79 542

Included in the amount received from the NCR for 2022/23 is R21 thousand, which relates to the balance carried forward from 2021/22.

Cash received not recognised (not included in the main note) – 2021/22

Name of entity	Amount received	Amount paid to Revenue Fund	Balance
	R'000	R'000	R'000
National Credit Regulator	4 108	4 087	21
Competition Commission	156 964	156 964	-
South African National Accreditation System	2 266	2 266	-
Companies and Intellectual Property Commission	126 777	126 777	-
National Gambling Board	277	277	-
National Consumer Tribunal	2 280	2 280	-
National Consumer Commission	195	195	-
National Regulator for Compulsory Specifications	31 448	31 448	-
Total	324 315	324 294	21

2022/23
R'0002021/22
R'000**3. Aid assistance**

Opening balance	-	17 511
As restated	-	17 511
Transferred from statement of financial performance	-	-
Paid during the year	-	(17 511)
Closing balance	-	-

The department did not receive any funding for the period under review.

3.1. Analysis of balance by source

Aid assistance from RDP	-	-
Closing balance	-	-

3.2. Analysis of balance**Analysis of balance**

Aid assistance repayable	-	-
Closing balance	-	-

3.2.1. Aid assistance prepayments (expensed) – 2022/23

	Amount as at 1 April 2022	Less: Received in the current year	Add/Less: Other	Add: Current year prepayments	Amount as at 31 March 2023
	R'000	R'000	R'000	R'000	R'000
Transfers and subsidies	88 844	(76 763)	-	-	12 081
Closing balance	88 844	(76 763)	-	-	12 081

Aid assistance prepayments (expensed) – 2021/22

	Amount as at 1 April 2021	Less: Received in the current year	Add/Less: Other	Add: Current year prepayments	Amount as at 31 March 2022
	R'000	R'000	R'000	R'000	R'000
Transfers and subsidies	185 278	(96 434)	-	-	88 844
Closing balance	185 278	(96 434)	-	-	88 844

2022/23	2021/22
R'000	R'000

3.3. Aid Assistance expenditure per economic classification

Current	-	-
Transfers and Subsidies	-	-
Total aid assistance expenditure	-	-

4. Compensation of employees

Salaries and wages

Basic salary	650 333	657 168
Performance award	4 858	5 586
Service based	1 131	817
Compensative/circumstantial*	4 458	2 935
Service bonus	43 907	43 502
Home owners allowance	12 605	11 543
Periodic payments	891	681
Other non-pensionable allowances**	168 742	154 076
Foreign allowance***	41 220	25 900
Total	928 145	902 208

*Compensative/circumstantial refers to payments and allowances paid to employees, e.g. acting allowance, overtime, etc.

**Other non-pensionable allowances comprise car allowances and benefits structured as part of salary packages for employees on levels 11 and higher.

***Foreign allowances refers to the cost of living allowances paid to employees based abroad at foreign mission offices.

	Note	2022/23 R'000	2021/22 R'000
Social contributions			
Employer contributions			
Pension		86 671	86 093
Medical		31 485	30 073
Bargaining council		132	132
Total		118 288	116 298
Total compensation of employees		1 046 433	1 018 506
Average number of employees		1 186	1 256

5. Goods and services

Administrative fees		3 304	3 285
Advertising		2 850	4 596
Minor assets	5.1	183	81
Bursaries (employees)		3 517	4 420
Catering		1 143	289
Communication		14 037	12 424
Computer services	5.2	21 881	32 812
Consultants: business and advisory services		30 604	26 638
Laboratory services		15	15
Legal services		56 212	16 066
Contractors		7 185	7 503
Agency and support/outsourced services		1 856	538
Entertainment		278	116
Audit cost external	5.3	8 301	9 634
Fleet services		1 305	842
Consumables	5.4	3 321	2 867
Operating leases		344 680	321 586
Property payments	5.5	2 859	4 459
Travel and subsistence	5.6	50 873	21 630
Rental and hiring		353	497
Venues and facilities		16 095	6 964
Training and development		1 011	1 675
Other operating expenditure	5.7	21 080	15 906
Total		592 943	494 843

	2022/23 R'000	2021/22 R'000
5.1. Minor assets		
Tangible assets	183	81
Machinery and equipment	183	81
Total	183	81

5.2. Computer services

SITA computer services	7 941	7 898
External computer service providers	13 940	24 914
Total	21 881	32 812

5.3. Audit cost – external

Regularity audits	7 794	9 209
Computer audits	507	425
Total	8 301	9 634

5.4. Consumable

Consumable supplies	573	388
Uniform and clothing	85	248
Household supplies	185	20
Building material and supplies	5	4
Communication accessories	9	7
IT consumables	235	96
*Other consumables	54	13
Stationery, printing and office supplies	2 748	2 479
Total	3 321	2 867

*Other consumables consists mainly of gifts.

5.5. Property payments

Municipal services	1 244	521
Property management fees	300	986
Property maintenance and repairs	613	2 353
Other*	702	599
Total	2 859	4 459

*Other mainly includes cleaning services.

	Note	2022/23 R'000	2021/22 R'000
5.6. Travel and subsistence			
Local		30 385	16 035
Foreign		20 488	5 595
Total		50 873	21 630

5.7. Other operating expenditure

Professional bodies, membership and subscription fees		3 457	1 342
Resettlement costs		907	1 501
*Other		16 716	13 063
Total		21 080	15 906

* Other mainly consists of school boarding costs, courier/delivery services, printing/publication costs and storage services.

6. Payments for financial assets

Other material losses written off	6.1	150	85
Debts written off	6.2	586	1 005
Forex losses	6.3	455	26
Total		1 191	1 116

6.1. Other material losses written off

Nature of losses			
Rental damages*		150	85
Total		150	85

* Damages to rental vehicles

	Note	2022/23 R'000	2021/22 R'000
6.2. Debts written off			
Recoverable revenue written off:			
Official debt		298	7
Enterprise Investment Programme (EIP)		-	944
Other (breach of contract)		36	-
Sub-total		334	951
Other debt written off:			
Official debt		252	7
Vehicle damage		-	19
Rental advance/deposit		-	28
Sub-total		252	54
Total debt written off		586	1 005

6.3. Forex losses

Nature of losses

Forex losses	455	26
Total	455	26

7. Transfers and subsidies

Departmental agencies and accounts	<i>Annex 1A</i>	1 247 833	1 294 699
Public corporations and private enterprises	<i>Annex 1B</i>	7 701 144	8 611 442
Foreign governments and international organisations	<i>Annex 1C</i>	35 009	30 327
Non-profit institutions	<i>Annex 1D</i>	159 801	153 333
Households	<i>Annex 1E</i>	9 961	7 043
Total		9 153 748	10 096 844

	Note	2022/23 R'000	2021/22 R'000
7.1. Donations made in kind (not included in the main note)			
<i>Annex 1G</i>			
Ministerial outreach programme		-	38
Donation of 10 used computers		-	5
Token of appreciation for transformation contribution in SA B-BBEE Commission's trophy awards		29	-
Miscellaneous (e.g. hospitality gifts and long-service awards)		15	3
Total		44	46

8. Expenditure for capital assets

Tangible assets		2 112	2 450
Machinery and equipment	30	2 112	2 450
Intangible assets		2 006	337
Software	31	2 006	337
Total		4 118	2 787

8.1. Analysis of funds utilised to acquire capital assets – 2022/23

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	2 112		2 112
Machinery and equipment	2 112	-	2 112
Intangible assets	2 006		2 006
Software	2 006	-	2 006
Total	4 118	-	4 118

8.2. Analysis of funds utilised to acquire capital assets – 2021/22

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	2 450		2 450
Machinery and equipment	2 450	-	2 450
Intangible assets	337		337
Software	337	-	337
Total	2 787	-	2 787

2022/23	2021/22
R'000	R'000

9. Cash and cash equivalents

Consolidated Paymaster General Account	25 064	173 549
Cash on hand	9	23
Cash with commercial banks (Local)	81 003	2 803
Total	106 076	176 375

Included in the cash and cash equivalents balance is an amount of R15 million, which relates to outstanding payments.

Included in the cash and cash equivalents balance is an amount of R81 million for funds held in the department's commercial bank. As at 31 March 2023, this balance has not yet interfaced with the PMG account.

10. Other financial assets

	2022/23	2021/22
	R'000	R'000
Current		
Foreign		
Rental deposits for employees based abroad	724	216
Sub-total	724	216
Total current other financial assets	724	216

	Note	2022/23 R'000	2021/22 R'000
Non-current			
Foreign			
Rental deposits for employees based abroad		532	1 256
Sub-total		532	1 256
Total non-current other financial assets		532	1 256

11. Prepayments and advances

Staff advances		27	18
Travel and subsistence		365	31
Prepayments (not expensed)	11.2	6 000	4 000
Advances paid (not expensed)	11.1	81 985	67 757
TOTAL		88 377	71 806

Analysis of total prepayments and advances

Current prepayments and advances		88 377	71 806
Non-current prepayments and advances		-	-
Total		88 377	71 806

11.1. Advances paid (not expensed) *

Note	Balance as at 1 April 2022	Less: Amount expensed in current year	Add/Less: Other	Add: Current Year advances	Balance as at 31 March 2023
	R'000	R'000	R'000	R'000	R'000
National departments	54 089	(147 856)	-	170 000	76 233
Public entities	13 668	(8 513)	-	597	5 752
Total	67 757	(156 369)	-	170 597	81 985

*Amount for advances paid to national departments relate to advance payments to the Department of International Relations and Cooperation for costs incurred by the foreign mission offices of the dtic.

Furthermore, advances were paid to the National School of Government (training interventions) and to the Development Bank of South Africa.

Notes to the Annual Financial Statements for the year ended 31 March 2023

	Note	Balance as at 1 April 2021	Less: Amount expensed in current year	Add/Less: Other	Add: Current Year advances	Balance as at 31 March 2022
		R'000	R'000	R'000	R'000	R'000
Advances paid (not expensed)	11					
National departments		33 145	(89 056)	-	110 000	54 089
Public entities		-	(84 262)	-	97 930	13 668
Total		33 145	(173 318)	-	207 930	67 757

11.2. Prepayments (not expensed)

	Note	Balance as at 1 April 2022	Less: Amount expensed in current year	Add/ Less: Other	Add: Current Year prepayments	Balance as at 31 March 2023
		R'000	R'000	R'000	R'000	R'000
<i>Listed by economic classification</i>						
Goods and services	11	4 000	(19 760)	-	21 760	6 000
Total		4 000	(19 760)	-	21 760	6 000

The balance of R6 million relates to prepayments to travel agencies.

	Note	Balance as at 1 April 2021	Less: Amount expensed in current year	Add/ Less: Other	Add: Current Year prepayments	Balance as at 31 March 2022
		R'000	R'000	R'000	R'000	R'000
Prepayments (Not expensed)	11					
<i>Listed by economic classification</i>						
Goods and services		4 000	(6 110)	-	6 110	4 000
Total		4 000	(6 110)	-	6 110	4 000

11.3. Prepayments (expensed)

	Balance as at 1 April 2022	Less: Received in the current year	Add/ Less: Other	Add: Current Year prepayments	Amount as at 31 March 2023
	R'000	R'000	R'000	R'000	R'000
<i>Listed by economic classification</i>					
Transfers and subsidies (EMIA TISA)	29 521	(23 156)	-	10 626	16 991
Total	29 521	(23 156)	-	10 626	16 991

The balance of R16.9 million relates to prepayments made under the Export Marketing and Investment Assistance (EMIA) programme.

	Balance as at 1 April 2021	Less: Received in the current year	Add/ Less: Other	Add: Current Year prepayments	Amount as at 31 March 2022
	R'000	R'000	R'000	R'000	R'000
Prepayments (expensed)					
<i>Listed by economic classification</i>					
Transfers and subsidies (EMIA TISA)	33 669	(4 148)	-	-	29 521
Total	33 669	(4 148)	-	-	29 521

11.4. Advances paid (expensed)

	Balance as at 1 April 2022	Less: Received in the current year	Add/ Less: Other	Add: Current Year advances	Amount as at 31 March 2023
	R'000	R'000	R'000	R'000	R'000
National departments	-	-	-	-	-
Public entities	262	(262)	-	-	-
Total	262	(262)	-	-	-

	Balance as at 1 April 2021	Less: Received in the current year	Add/ Less: Other	Add: Current Year advances	Amount as at 31 March 2022
	R'000	R'000	R'000	R'000	R'000
Advances paid (expensed)					
National departments	-	-	-	-	-
Public entities	6 290	(6 028)	-	-	262
Total	6 290	(6 028)	-	-	262

12. Receivables

	Note	2022/23			2021/22		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Receivables							
Claims recoverable	12.1	6 162	15 511	21 673	6 266	14 728	20 994
Recoverable expenditure	12.2	28	-	28	23	-	23
Staff debt	12.3	559	678	1 237	398	882	1 280
Other receivables	12.4	252	275	527	181	575	756
Total		7 001	16 464	23 465	6 868	16 185	23 053

2022/23
R'000

2021/22
R'000

12.1. Claims recoverable

National departments	24	21
Provincial department	-	231
Public entities	6 136	4 793
Private enterprises	15 513	15 949
Total	21 673	20 994

12.2. Recoverable expenditure

Recoverable expenditure	28	23
Total	28	23

12.3. Staff debt

Bursary	401	470
Unpaid leave	455	353
Official debt (in service)	269	318
Petty cash	-	27
Child allowances	78	84
Other	7	10
Rental deposit	11	17
Cell phone	3	1
Tax	1	-
Travel and subsistence	12	-
Total	1 237	1 280

	2022/23 R'000	2021/22 R'000
12.4. Other receivables		
Bursary	246	171
Official debt (out of service)	115	300
Unpaid leave	115	212
Other (losses, i.e. laptops, access cards)	51	73
Total	527	756

12.5. Impairment of receivables

Estimate of impairment of receivables	15 787	15 303
Total	15 787	15 303

13. Investments

Non-current

Shares and other equity

IDC A Share 1 000 000 at cost (100% shareholding)	1 000	1 000
IDC B Share 1 391 969 357 at cost (100% shareholding)	1 391 969	1 391 969
Total	1 392 969	1 392 969
Total non-current	1 392 969	1 392 969

Analysis of non-current investments

Opening balance	1 392 969	1 392 969
Additions in cash	-	-
Disposals for cash	-	-
Non-cash movements	-	-
Closing balance	1 392 969	1 392 969

	Note	2022/23 R'000	2021/22 R'000
14. Voted funds to be surrendered to the Revenue Fund			
Opening balance		192 090	233 550
Transfer from statement of financial performance (as restated)		115 120	197 909
Add: Unauthorised expenditure for current year		-	-
Voted funds not requested/not received	1.1	(1)	(5 817)
Paid during the year		(192 093)	(233 552)
Closing balance		115 116	192 090

15. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

Opening balance		4 204	10 375
Transfer from statement of financial performance (as restated)		151 942	122 072
Paid during the year		(153 251)	(128 243)
Closing balance		2 895	4 204

16. Payables – current

Advances received	16.1	357	-
Clearing accounts	16.2	282	345
Other payables	16.3	87 985	61 839
Total		88 624	62 184

16.1. Advance received

16

Public entity	Annex 6B	357	-
Total		357	-

16.2. Clearing accounts

16

PAYE		203	308
Government Employee Housing Scheme		68	25
Pension		11	12
Total		282	345

	Note	2022/23 R'000	2021/22 R'000
16.3. Other payables	16		
Official debt (out of service)		-	43
Liquor licence deposits		2 874	3 544
Money collected from other entities		79 542	21
Other payables		5 569	17
Rejected payments		-	58 214
Total		87 985	61 839

17. Net cash flow available from operating activities

Net surplus/(deficit) as per Statement of Financial Performance	267 062	319 981
Add back non cash/cash movements not deemed operating activities	(332 092)	(464 972)
(Increase)/decrease in receivables	(133)	(249)
(Increase)/decrease in prepayments and advances	(16 571)	(34 571)
Increase/(decrease) in payables – current	26 440	(47 816)
Proceeds from sale of capital assets	(601)	-
(Increase)/decrease in other financial assets	508	(661)
Expenditure on capital assets	4 118	2 787
Surrenders to Revenue Fund	(345 344)	(361 795)
Surrenders to RDP Fund/Donor	-	(17 511)
Voted funds not requested/not received	(1)	(5 817)
Other non-cash items	(508)	661
Net cash flow generated by operating activities	(65 030)	(144 991)

18. Reconciliation of cash and cash equivalents for cashflow purposes

Consolidated Paymaster General account	25 064	173 549
Cash on hand	9	23
Cash with commercial banks (local)	81 003	2 803
Total	106 076	176 375

	Note	2022/23 R'000	2021/22 R'000
19. Contingent liabilities and contingent assets			
19.1. Contingent liabilities			
Liable to			
¹ Claims against the department	Annex 3B	51 319	33 515
² Incentive grants	Annex 3B	8 664 153	8 548 297
³ Other guarantees	Annex 3A	148 388	129 685
Intergovernmental payables (unconfirmed balances)	Annex 5	7 094	-
Total		8 870 954	8 711 497

¹Claims against the department are disclosed and will only be settled on decision of the court or if the department accepts liability, both of which are unknown. Amounts disclosed are not necessarily the claim amount, but the amount determined as the most likely amount that the court might settle on. There are instances where claims were lodged against the department due to incentive claims not being approved. However, these were not included above due to the remoteness of the claims.

²Incentive grants approved by the dtic are not always disbursed in the year of approval. Based on the rules of a particular incentive scheme, grants approved in one year may be disbursed over a period of one to three years following approval. Disbursement of the incentive grant is in all cases conditional on the recipient firms carrying out their approved project in line with the guidelines of the respective scheme, and meeting key performance requirements that are linked to that particular incentive, such as achieved investment, output, employment, etc.

³Other guarantees relates to loans given to IDC by foreign banks.

19.2. Contingent assets

Nature of contingent asset			
Incentive claims ¹		4 621	5 910
Ditsebi Solutions ²		32 000	68 480
Total		36 621	74 390

¹This is in respect of claims instituted by the department against certain incentive applicants. These claims have also resulted in the defendants raising counter claims against the department.

²The department has instituted a claim of R68 million against Ditsebi Solutions for breach of contract, however, only R32 million is likely to be recovered from the debtor.

20. Capital commitments

Machinery and equipment	29 504	1 442
Intangible assets	901	172
Total	30 405	1 614

2022/23
R'0002021/22
R'000**21. Accruals and payables not recognised****21.1. Accruals**

Listed by economic classification	30 days	30+ days	Total	Total
Goods and services	39 796	4 941	44 737	54 573
Transfers and subsidies	-	6 503	6 503	11 840
*Other	9 404	61 974	71 378	76 945
Total	49 200	73 418	122 618	143 358

*Other includes allowances payable to foreign officials and outstanding vouchers not yet received from DIRCO.

Listed by programme level

Administration	40 280	52 441
Trade Policy	356	130
Spatial Industrial Development	582	896
Industrial Policy	433	202
Consumer and Corporate Regulation	811	62
Industrial Financing	7 817	12 190
Trade and Investment South Africa	71 493	77 150
Invest South Africa	352	211
Competition Policy	491	18
Economic Research	3	58
Total	122 618	143 358

21.2. Payables not recognised

Listed by economic classification	30 days	30+ days	Total	Total
Goods and services	12	-	12	202
Total	12	-	12	202

	Note	2022/23 R'000	2021/22 R'000
Listed by programme level			
Administration		4	30
Trade Policy		-	13
Spatial Industrial Development		-	-
Industrial Policy		-	-
Consumer and Corporate Regulation		7	-
Industrial Financing		-	-
Trade and Investment South Africa		-	-
Invest South Africa		-	2
Competition Policy		-	-
Economic Research		1	157
Total		12	202

Included in the above totals are the following:

Confirmed balances with departments	Annex 5	-	23 638
Confirmed balances with other government entities	Annex 5	-	-
		-	23 638

22. Employee benefits

*Leave entitlement	60 205	71 585
Service bonus (13th cheque)	22 253	22 884
Performance awards	-	5 323
Capped leave	8 312	9 169
**Long-service awards	440	690
Total	91 210	109 651

*The full leave entitlement becomes due on the first day of each leave cycle (January – December). In addition to the leave entitlement provision, there are negative leave credits to the value of R307 thousand, which relates to leave taken in excess of the accrued leave credits as at 31 March 2023.

** The provision on the long-service awards disclosed above does not include the long-term portion of the long-service awards.

The disclosure with respect to performance awards is as per DPSA circular no. 01 of 2019.

23. Lease commitments**23.1. Operating leases**

2022/23	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000
Not later than 1 year	12 595	2 940	15 535
Later than 1 year and not later than 5 years	7 906	1 285	9 191
Total lease commitments	20 501	4 225	24 726

2021/22	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000
Not later than 1 year	20 021	3 988	24 009
Later than 1 year and not later than 5 years	13 228	3 845	17 073
Total lease commitments	33 249	7 833	41 082

This note excludes leases relating to public private partnerships (PPPs) as they are separately disclosed in note 28.

The lease commitment above includes:

- Accommodation leases relating to foreign economic representatives stationed abroad
- Regional offices of **the dtic** (i.e. Durban, Port Elizabeth and Cape Town).
- Printing machines
- MTN data contracts

23.2. Finance leases

2022/23	Machinery and equipment	Total
Not later than 1 year	4 514	4 514
Later than 1 year and not later than 5 years	1 197	1 197
Total lease commitments	5 711	5 711

2021/22	Machinery and equipment	Total
Not later than 1 year	2 562	2 562
Later than 1 year and not later than 5 years	403	403
Total lease commitments	2 965	2 965

the dtic is a participant in the Transversal Contract facilitated by National Treasury for the supply and delivery of mobile communication services and handsets to the State.

	Note	2022/23 R'000	2021/22 R'000
24. Accrued departmental revenue			
Sales of goods and services other than capital assets		80	-
Sale of capital assets		45	-
Transaction in financial assets and liabilities		7 257	-
Total		7 382	-

24.1. Analysis of accrued departmental revenue

Opening balance		-	-
Less: Amounts received		-	-
Add: Amounts recorded		7 382	-
Less: Amounts transferred to receivables for recovery		-	-
Other (foreign exchange losses)		-	-
Total		7 382	-

25. Unauthorised, irregular and fruitless and wasteful expenditure

Unauthorised expenditure		-	-
Irregular expenditure		-	-
Fruitless and wasteful expenditure		-	-
Total		-	-

26. Related-party transactions

Revenue received

Interest, dividends and rent on land	26.1	54 628	51 425
Total		54 628	51 425

Year-end balances arising from revenue/payments

Receivables from related parties	Annex 4	6 135	4 793
Total		6 135	4 793

	Note	2022/23 R'000	2021/22 R'000
26.1. Rent on land			
Name of Department/Entity			
Companies and Intellectual Property Commission		24 336	22 123
Competition Tribunal		6 831	6 831
International Trade Administration Commission		9 752	8 865
The Competition Commission		13 709	13 606
Total		54 628	51 425
Other			
Guarantees issued/received	Annex 3A	148 388	129 685
Total		148 388	129 685

the dtic is providing accommodation on its campus to the Companies and Intellectual Property Commission, Competition Commission, Competition Tribunal and ITAC at a reduced rental.

In addition, the department is providing office accommodation to the Companies Tribunal at no charge.

One employee of the dtic has been seconded to SANAS from July 2021 until the appointment of a new CEO, at no cost to the department.

the dtic provided in-kind forensic services to the NLC.

List of related party relationships:

- Companies and Intellectual Property Commission (CIPC)
- Export Credit Insurance Corporation (ECIC) SOC Limited of South Africa
- National Consumer Commission (NCC)
- National Consumer Tribunal (NCT)
- Companies Tribunal (CT)
- National Credit Regulator (NCR)
- National Empowerment Fund (NEF)
- National Gambling Board of SA (NGB)
- National Lotteries Commission (NLC)
- National Metrology Institute of South Africa (NMISA)
- National Regulator for Compulsory Specifications (NRCS)
- South African Bureau of Standards (SABS)
- South African National Accreditation System (SANAS)
- Competition Commission (CC)
- Competition Tribunal (CT)
- International Trade Administration Commission (ITAC)
- Industrial Development Corporation (IDC)
- The Takeover Regulation Panel

Related parties disclosed under this note are only those related parties that fall within the Minister's portfolio. For related party transactions relating to other departments and entities, please refer to the Accounting Officer's report.

As per the definition of related parties, key management personnel form part of the related parties. This has been separately disclosed under note 27.

	2022/23 R'000	2021/22 R'000
27. Key management personnel		
Political office bearers (provide detail below)	6 673	6 423
Officials:		
Levels 15 to 16	23 641	23 696
Level 14	97 989	98 946
Family members of related parties	1 025	981
Total	129 328	130 046

Political office bearers consist of:

Minister E Patel, from 1 April 2020 to date

Deputy Minister N Gina, from 30 May 2019 to date

Deputy Minister FZ Majola, from 30 May 2019 to date

28. Public Private Partnership

Buildings and other fixed structures

the dtic Campus PPP is based on a partnership between the dtic and the City of Tshwane under which the City owns the land. The City will also own all fixed assets erected thereon. the dtic will enjoy the peaceful and undisturbed benefits of a sustained collaborative working and unified service delivery environment, to be provided by Rainprop (Pty) Ltd as the private-sector partner, who signed an experience delivery agreement with the dtic.

The construction of the dtic Campus was finalised during the first half of 2004, whereafter the move and decant took place between May and November 2004.

Motor vehicles

In the previous financial year, the dtic participated in the Department of Transport's Fleet Management contract for the use of its pool vehicles until 28 February 2021. The contract has since expired, and there is no extension in place.

	Note	2022/23	2021/22
	28	R'000	R'000
28.1. Unitary fee paid			
Fixed component		293 334	273 164
• Buildings and other fixed structures		293 334	273 164
• Motor vehicles		-	-
Indexed component		21 535	21 477
• Buildings and fixed structures		21 535	21 477
• Motor vehicles		-	-
Analysis of indexed component		21 535	21 477
Goods and services (excluding lease payments)		21 535	21 477
Operating leases		-	-

28.2. PPP commitments

2022/23	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	306 505	-	306 505
Later than 1 year and not later than 5 years	1 891 547	-	1 891 547
Later than five years	-	-	-
Total lease commitments	2 198 052	-	2 198 052

2021/22	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	281 728	-	281 728
Later than 1 year and not later than 5 years	1 219 997	-	1 219 997
Later than five years	670 120	-	670 120
Total lease commitments	2 171 845	-	2 171 845

2022/23	2021/22
R'000	R'000

29. Provisions

Export Marketing and Investment Assistance (EMIA)	26 895	4 382
Total	26 895	4 382

the dtic has an unconditional obligation to pay the preferred supplier on submission of the required claim documents, as from the date funding approval is granted. The preferred supplier can claim the incentive at any time, therefore, the timing of the obligation is not known. However, the amount of the obligation is known as the approval letter specifies the maximum amount payable to the grantee.

29.1. Reconciliation of movement in provisions – 2022/23

	EMIA	Total provisions
	R'000	R'000
Opening balance	4 382	4 382
Increase in provision	191 344	191 344
Settlement of provision	(152 718)	(152 718)
Unused amount reversed	(16 113)	(16 113)
Closing balance	26 895	26 895

29.2. Reconciliation of movement in provisions – 2021/22

	EMIA	Total provisions
	R'000	R'000
Opening balance	1 418	1 418
Increase in provision	67 192	67 192
Settlement of provision	(63 384)	(63 384)
Unused amount reversed	(844)	(844)
Closing balance	4 382	4 382

30. Movable tangible capital assets**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023**

	Opening balance	Value adjustments	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Machinery and equipment	184 904	-	2 112	(12 782)	174 234
Transport assets	10 255	-	-	(2 399)	7 856
Computer equipment	150 927	-	338	(7 822)	143 443
Furniture and office equipment	9 707	-	1 062	(1 187)	9 582
Other machinery and equipment	14 015	-	712	(1 374)	13 353
Total movable tangible capital assets	184 904	-	2 112	(12 782)	174 234

30.1. Movement for 2021/22**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022**

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Machinery and equipment	195 315	-	2 450	(12 861)	184 904
Transport assets	8 711	-	1 544	-	10 255
Computer equipment	162 097	-	476	(11 646)	150 927
Furniture and office equipment	10 806	-	57	(1 156)	9 707
Other machinery and equipment	13 701	-	373	(59)	14 015
Total movable tangible capital assets	195 315	-	2 450	(12 861)	184 904

30.2. Minor assets

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER OF THE DEPARTMENT FOR THE YEAR ENDED 31 MARCH 2023

	Intangible assets	Machinery and equipment	Total
	R'000	R'000	R'000
Opening balance	2 958	5 278	8 236
Value adjustments	-	-	-
Additions	-	199	199
Disposals	(1 245)	(270)	(1 515)
Total minor assets	1 713	5 207	6 920

	Intangible assets	Machinery and equipment	Total
Number of R1 minor assets	-	43	43
Number of minor assets at cost	1 937	2 929	4 866
Total number of minor capital assets	1 937	2 972	4 909

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER OF THE DEPARTMENT FOR THE YEAR ENDED 31 MARCH 2022

	Intangible assets	Machinery and equipment	Total
	R'000	R'000	R'000
Opening balance	2 958	5 214	8 172
Prior period error	-	-	-
Additions	-	81	81
Disposals	-	(17)	(17)
Total minor assets	2 958	5 278	8 236

	Intangible assets	Machinery and equipment	Total
Number of R1 minor assets	-	47	47
Number of minor assets at cost	2 587	2 963	5 550
Total	2 587	3 010	5 597

30.3. Moveable assets written off

MOVEABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2023

	Machinery and equipment	Total
	R'000	R'000
Assets written off	2 311	2 311
Total movable assets written off	2 311	2 311

MOVEABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2022

	Machinery and equipment	Total
	R'000	R'000
Assets written off	490	490
Total movable assets written off	490	490

31. Intangible capital assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
Software	63 161	2 006	(2 523)	62 644
Total intangible capital assets	63 161	2 006	(2 523)	62 644

31.1. Movement for 2021/22

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance	Prior Period Error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
Computer Software	67 016	-	337	(4 192)	63 161
Total intangible capital assets	67 016	-	337	(4 192)	63 161

32. Prior period errors

	Note	Amount before error correction	Prior period error	Restated Amount
			2021/22	
		R'000	R'000	R'000
Other				
Provisions (EMIA)	29	2 121	2 261	4 382
Net effect		2 121	2 261	4 382

Correction of understatement relating to 2021/22 closing balance (EMIA provisions)

33. Broad-based black economic empowerment performance

Information on compliance with the B-BBEE Act is included in the annual report under the section titled 'B-BBEE Compliance Performance Information'.

34. COVID-19 response expenditure

	Note	2022/23 R'000	2021/22 R'000
	<i>Annexure 7</i>		
Compensation of employees		-	-
Goods and services		23	35
Total		23	35

ANNEXURE 1A

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/AGENCY/ACCOUNT	TRANSFER ALLOCATION			TRANSFER		2021/22 Final Appropriation
	Adjusted budget	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Funds Transferred
	R'000	R'000	R'000	R'000	R'000	%
Companies Tribunal	24 529	-	-	24 529	24 529	100%
National Consumer Commission	59 388	-	-	59 388	59 388	100%
Competition Commission	449 518	-	-	449 518	449 518	100%
Competition Tribunal	42 286	-	-	42 286	42 286	100%
International Trade Administration Commission	108 559	-	-	108 559	108 559	100%
National Consumer Tribunal	54 756	-	-	54 756	54 756	100%
National Credit Regulator	83 241	-	-	83 241	83 241	100%
National Gambling Board	36 477	-	-	36 477	36 477	100%
National Metrology Institute of South Africa: Operations	122 832	-	-	122 832	122 832	100%
National Metrology Institute of South Africa	72 872	-	-	72 872	72 872	100%
National Productivity Institute	10 558	-	-	10 558	10 558	100%
National Regulator for Compulsory Specifications	147 560	-	-	147 560	147 560	100%
South African National Accreditation System	33 820	-	-	33 820	33 820	100%
Council for Geoscience	1 437	-	-	1 437	1 437	100%
Total	1 247 833	-	-	1 247 833	1 247 833	1 294 699

ANNEXURE 1B

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2021/22 Final Appropriation
	Adjusted Budget	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Funds Transferred	Capital	Current	
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Public corporations									
Transfers	4 204 710	-	(1 064 800)	3 139 910	3 109 420	99.0%	370 248	2 739 172	6 075 076
Council for Scientific and Industrial Research: Fibre and Textile	2 104	-	-	2 104	2 104	100.0%	-	2 104	2 047
Council for Scientific and Industrial Research: Aerospace Industry	39 387	-	-	39 387	39 387	100.0%	-	39 387	29 967
Council for Scientific and Industrial Research: National Cleaner Production Centre	65 201	-	-	65 201	65 201	100.0%	-	65 201	62 926
Export Credit Insurance Corporation	150 000	-	-	150 000	150 000	100.0%	-	150 000	208 078
Industrial Development Corporation: Clothing and Textile Production Incentive	599 483	-	-	599 483	599 483	100.0%	-	599 483	477 363
Industrial Development Corporation: Customised Sector Programme	15 000	-	-	15 000	15 000	100.0%	-	15 000	10 000
Council for Scientific and Industrial Research: National Foundry Technology Network	7 583	-	-	7 583	7 583	100.0%	-	7 583	19 309
ProTechnik Laboratories: Capital	1 651	-	-	1 651	1 103	66.8%	1 103	-	92
ProTechnik Laboratories: Operations	3 817	-	-	3 817	3 817	100.0%	-	3 817	3 715
South African Bureau of Standards	361 248	-	-	361 248	361 248	100.0%	-	361 248	328 819

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2021/22 Final Appropriation
	Adjusted Budget	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Funds Transferred	Capital	Current	
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Various institutions: Critical Infrastructure Programme: Industrial Parks	135 432	-	(100 000)	35 432	11 294	31.9%	11 294	-	95 921
Various institutions: Special Economic Zones	1 557 851	-	(1 200 000)	357 851	357 851	100.0%	357 851	-	1 670 223
Industrial Development Corporation: Tirisano Trust Fund	64 375	-	-	64 375	64 375	100.0%	-	64 375	51 250
Industrial Development Corporation: Steel Development	39 550	-	-	39 550	39 550	100.0%	-	39 550	37 727
Small Enterprise Finance Agency	258 658	-	-	258 658	258 658	100.0%	-	258 658	251 706
Industrial Development Zone other	25 000	-	-	25 000	25 000	100.0%	-	25 000	13 400
Industrial Development Corporation: Industrial Financing	-	-	240 200	240 200	240 200	100.0%	-	240 200	1 997 533
Industrial Development Corporation: Social Employment Fund	861 566	-	-	861 566	861 566	100.0%	-	861 566	800 000
Various institutions: One Stop Shop	16 804	-	(5 000)	11 804	6 000	50.8%	-	6 000	15 000
Sub-total: Public corporations	4 204 710	-	(1 064 800)	3 139 910	3 109 420	99.0%	370 248	2 739 172	6 075 076
Private enterprises									
Transfers	377 946	-	66 485	444 431	422 998	95.2%	245 423	177 575	189 844
Various institutions: Export Market and Investment Assistance	187 177	-	(20 000)	167 177	153 360	91.7%	-	153 360	54 067

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2021/22 Final Appropriation
	Adjusted Budget	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Funds Transferred	Capital	Current	
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Various institutions Support Programme for Industrial Innovation	74 215	-	(50 000)	24 215	24 215	100.0%	-	24 215	22 203
Various institutions: Critical Infrastructure Programme	116 554	-	136 485	253 039	245 423	97.0%	245 423	-	113 574
Subsidies	3 087 932	-	1 083 515	4 171 447	4 168 726	99.9%	-	4 168 726	2 389 711
Automotive Production and Development Programme: Production Allowance	1 474 546	-	1 120 813	2 595 359	2 595 359	100.0%	-	2 595 359	1 073 198
Supplier Cluster Development	13 105	-	(13 105)	-	-	-	-	-	3 881
National Research Foundation: Technology and Human Resources for Industrial Programme	211 486	-	(153 753)	57 733	56 556	98.0%	-	56 556	58 079
Business Process Service Incentive	503 630	-	166 613	670 243	670 243	100.0%	-	670 243	507 969
Enterprise Investment Programme	131 124	-	(66 741)	64 383	64 381	99.9%	-	64 381	18 050
Film and Television Production Incentive	366 212	-	(46 613)	319 599	318 057	99.5%	-	318 057	354 039
Manufacturing Competitiveness Enhancement Programme	387 829	-	76 301	464 130	464 130	100.0%	-	464 130	374 495
Sub-total: Private enterprises	3 465 878	-	1 150 000	4 615 878	4 591 724	99.5%	245 423	4 346 301	2 579 555
Total	7 670 588	-	85 200	7 755 788	7 701 144	99.3%	615 671	7 085 473	8 654 631

ANNEXURE 1C

STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENTS AND INTERNATIONAL ORGANISATIONS

FOREIGN GOVERNMENT / INTERNATIONAL ORGANISATION	TRANSFER ALLOCATION				EXPENDITURE		2021/22 Final Appropriation
	Adjusted Budget	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Funds Transferred	
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
World Trade Organisation	17 906	-	(1 900)	16 006	15 436	96.4%	14 206
Organisation for the Prohibition of Chemical Weapons	4 386	-	(1 000)	3 386	3 221	95.1%	2 916
United Nations: Treaty on the Prohibition of Nuclear Weapons	2 000	-	-	2 000	-	0%	330
United Nations Industrial Development Organisation	8 355	-	-	8 355	5 210	62.3%	5 330
World Intellectual Property Organisation	6 387	-	-	6 387	6 387	100%	5 714
Treaty Organisation for Metrology	2 219	-	-	2 219	1 935	87.2%	2 160
International Financial Reporting Standards Foundation	2 820	-	-	2 820	2 820	100%	-
Total	44 073	-	(2 900)	41 173	35 009		30 656

ANNEXURE 1D

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2021/22 Final Appropriation
	Adjusted Budget	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Funds Transferred	
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Proudly South African Campaign	41 530	-	-	41 530	41 530	100%	44 166
Intsimbi Future Production Technologies Initiatives	68 176	-	-	68 176	68 176	100%	66 257
Centurion Aerospace Village	13 636	-	(5 636)	8 000	8 000	100%	17 922
Trade and Industrial Policy Strategies	30 480	-	-	30 480	30 480	100%	18 235
Automotive Supply Chain Competitiveness Initiative	9 925	-	-	9 925	9 925	100%	5 110
Black Business Council	1 690	-	-	1 690	1 690	100%	1 644
Total	165 437	-	(5 636)	159 801	159 801		153 334

ANNEXURE 1E

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION			EXPENDITURE		2021/22 Final Appropriation
	Adjusted Budget	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Funds Transferred
	R'000	R'000	R'000	R'000	R'000	%
Transfers						
Employee social benefits	2 754	-	4 464	7 218	6 953	96.3%
Gifts and donations	17	-	-	17	16	94.1%
Payments/refunds and remissions as an act of grace	6	-	-	6	6	100%
Claims against the state	-	-	3 032	3 032	2 986	98.4%
Total	2 777	-	7 496	10 273	9 961	7 056

ANNEXURE 1F

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2022/23	2021/22
		R'000	R'000
Received in kind			
Rheinmetall Denel Munition	Sponsored venue and lunch for industry outreach	-	8
Organisation for the Prohibition of Chemical Weapons	Sponsored trip for the dtic officials to participate in the Regional Joint Review Workshop	-	56
European Union	Sponsored Europe study tour for the dtic official	-	37
AFCFTA Secretariat/WCO	Sponsored trip to attend the AfCFTA HS Workshop and Dispute Settlement body meetings	448	-
Comprehensive Nuclear-Test-Ban Treaty Organisation	Sponsored trip to participate in the Working Group B (WGB) meeting of the Comprehensive Nuclear-Test-Ban Treaty in Vienna	103	-
Daejeon Tourism Organisation	Sponsored accommodation	6	-
Danish Embassy	Sponsored trip to attend IWA conference in Denmark	86	-
European Union Non-Proliferation and Disarmament Consortium	Sponsored trip as invited to speak at European Union (EU) Non-Proliferation and Disarmament Conference in Brussels, Belgium	27	-
FAW Trucks South Africa	Sponsored accommodation	5	-
Hai Sheng Steel Co. Ltd	Sponsored accommodation for a site visit, travel and meeting with Hai Sheng Steel Co. Ltd in Colombia	36	-
Korea Ministry	Sponsored port workshop costs, i.e. transport, accommodation and meals	9	-
Nuclear Threat Initiative	Sponsorship that covered accommodation and meals during participation in the Annual Global Biosecurity Dialogue conference in Cape Town	11	-
Organisation for the Prohibition of Chemical Weapons	Sponsored trip to participate in Ninth Annual Meeting of Representatives of the Chemical Industry and National Authorities of State Parties to Chemical Weapons Convention in Doha, Qatar	35	-

Annexures to the Annual Financial Statements for the year ended 31 March 2023

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2022/23	2021/22
		R'000	R'000
Received in kind			
Physikalisch-Technische Bundesanstalt (PTB)	Berlin, Germany	67	-
SADC Secretariat	Sponsored accommodation and meals, including conferencing	55	-
World Trade Organisation (WTO)	Sponsored trip to attend the WTO advanced course on economic analysis of trade policy, and preparatory workshop in Geneva and Namibia, respectively	148	-
Wilton Park	Sponsorship for participation in meeting, which covered: return tickets, accommodation and meals during conference	16	
United Nations Office for Disarmament Affairs, BWC Implementation Support Unit	Sponsorship trip to participate in a BWC Workshop and Convention in Switzerland and Ethiopia, respectively	108	-
United Nations Office for Disarmament Affairs	Sponsored trip to participate in the United Nations Secretary-General's Mechanism for investigation of alleged use of chemical, biological or toxic weapons (UNSGM) held Germany	100	-
Van Schaik	20 hard copy textbooks	16	-
Miscellaneous (grouped small items)	Courtesy gifts	19	12
Total		1 294	113

ANNEXURE 1G

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

NATURE OF GIFT, DONATION OR SPONSORSHIP	2022/23	2021/22
	R'000	R'000
Paid in cash		
Bereavement of employees	6	36
Sub-total	6	36
Made in kind		
Ministerial outreach programme	-	38
Donation of used computers	-	5
Token of appreciation for transformation contribution in SA B-BBEE Commission's trophy awards	29	-
Miscellaneous (e.g. hospitality gifts and long-service awards)	15	3
Sub-total	44	46
Total	50	82

ANNEXURE 2A

STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO NATIONAL/PROVINCIAL PUBLIC ENTITIES

Name of public entity	State Entity's PFMA Schedule type (state year end if not 31 March)	% of shares held		Number of shares held		Cost of investment R'000		Net asset value of investment R'000		Profit/(Loss) for the year R'000		Losses guaranteed
		2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	
National/ Provincial Public Entity												Yes/No
Industrial Development Corporation of SA	Schedule 2	100	100	1 392 969 357	1 392 969 357	1 392 969	1 392 969	105 686 000	160 001 000	5 603 000	5 293 000	No
TOTAL				1 392 969 357	1 392 969 357	1 392 969	1 392 969	105 686 000	160 001 000	5 603 000	5 293 000	

ANNEXURE 2B

STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO ENTITIES (continued)

Name of public entity	Nature of business	Cost of investment R'000		Net asset value of investment R'000		Amounts owing to entities R'000		Amounts owing by entities R'000	
		2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
Controlled entities									
Industrial Development Corporation of SA	Contribution to growth industrial development and economic empowerment through its financial activities	1 392 969	1 392 969	105 686 000	160 001 000	-	-	-	-
Total		1 392 969	1 392 969	105 686 000	160 001 000	-	-	-	-

ANNEXURE 3A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2023 - FOREIGN

GUARANTOR INSTITUTION	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2022	Guarantees drawdowns during the year	Guaranteed repayments/ cancelled/ reduced during the year	Revaluation due to foreign currency movements	Closing balance 31 March 2023	Revaluations due to inflation rate movements	Accrued guaranteed interest for year ended 31 March 2023
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
KFW	IDC	592 837	129 680	-	6 160	24 862	148 382	-	6
	Sub-total	592 837	129 680	-	6 160	24 862	148 382	-	6
	Total	592 837	129 680	-	6 160	24 862	148 382	-	6

ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2023

NATURE OF LIABILITY	Opening balance 1 April 2022	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (provide details hereunder)	Closing balance 31 March 2023
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Automotive Incentive Scheme (AIS)	2 851 051	3 203 872	2 949 032	-	3 105 891
Business Process Services (BPS)	305 584	649 106	676 670	-	278 020
Film and Television Production	1 916 509	892 090	549 699	-	2 258 900
Critical Infrastructure Programme (CIP)	661 189	94 952	317 748	-	438 393
Capital Project Feasibility Programme (CPFP)	-	56 000	34 288	-	21 712
Manufacturing Competitive Enhancement Programme (MCEP)	52 560	-	52 560	-	-
Incubator Support Programme (ISP)	-	3 253	3 253	-	-
Aquaculture Development Enhancement Programme (ADEP)	127 769	16 140	104 846	-	39 063
Support Programme for Industrial Innovation (SPII)	109 044	17 042	25 835	-	100 251
Black Industrialist Scheme (BIS)	1 545 742	757 603	912 465	-	1 390 880
Technology and Human Resources for Industry Programme (THRIP)	305 807	86 337	58 501	-	333 643
Agro-Processing Support Scheme (APSS)	63 518	74 679	46 265	-	91 932
Special Economic Zones (SEZ)	408 695	355 391	358 868	-	405 218
Special Partnership Programme	2 538	1 959	2 538	-	1 959
Critical Infrastructure Recovery Programme	198 291	-	-	-	198 291
Rainprop	11 180	384 674	381 753	-	14 101
Property Management Trading Entity	52	-	52	-	-

NATURE OF LIABILITY	Opening balance 1 April 2022	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (provide details hereunder)	Closing balance 31 March 2023
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
The Clothing Bank	3 253	-	3 253	-	-
TCB Legal costs award	-	726	-	-	726
Mellow Shark	3 278	-	150	-	3 128
RICTS Holdings	-	2 518	-	-	2 518
Keolebogile Consortium	105	-	-	-	105
V Rabie	-	94	-	-	94
Maroga JT	-	1 231	-	-	1 231
L Maqakoane	-	1 043	-	-	1 043
Frey's Food	-	14 000	-	-	14 000
Mthimkhulu	1 745	-	1 745	-	-
T Nthutang	281	-	281	-	-
N Mekgwe	4 350	752	-	-	5 102
Blue Ice Africa	9 271	-	-	-	9 271
Total	8 581 812	6 613 462	6 479 802	-	8 715 472

ANNEXURE 4

CLAIMS RECOVERABLE

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2022/23*	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	Receipt date up to six working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Department of Small Business Development	24	21	-	-	24	21	-	-
Eastern Cape: Department of Employment and Labour	-	-	-	106	-	106	-	-
Office of the Chief Justice	-	-	-	84	-	84	-	-
Gauteng: Department of Health	-	-	-	41	-	41	-	-
Sub-total	24	21	-	231	24	252		-
OTHER GOVERNMENT ENTITIES								
Companies and Intellectual Property Commission	2 044	-	-	2 121	2 044	2 121	-	-
Companies Tribunal	8	-	-	2	8	2	-	-
International Trade Administration Commission	1 516	-	-	26	1 516	26	-	-
Competition Commission	2 526	-	-	1 152	2 526	1 152	-	-
South African National Accreditation System	-	-	32	1 491	32	1 491	-	-
Government Pension Administration Agency	-	-	1	-	1	-	-	-
National Lottery Commission	-	-	4	-	4	-	-	-
Industrial Development Corporation	-	-	4	-	4	-	-	-

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2022/23*	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	Receipt date up to six working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Competition Tribunal	1	1	-	-	1	1	-	-
Sub-total	6 095	1	41	4 792	6 136	4 793		-
Total	6 119	22	41	5 023	6 160	5 045		-

ANNEXURE 5

INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2022/23*	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	Payment date up to six working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Current								
Department of Justice and Constitutional Development	-	23 587	6 897	-	6 897	23 587	-	-
Department of Public Works		51	-	-	-	51	-	-
South African Police Services		-	197	-	197	-	-	-
Total intergovernmental payables	-	23 638	7 094	-	7 094	23 638		-

ANNEXURE 6A

INTER-ENTITY ADVANCES PAID (note 11)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022
	R'000	R'000	R'000	R'000	R'000	R'000
NATIONAL DEPARTMENTS						
Department of International Relations and Cooperation	-	-	76 233	54 089	76 233	54 089
Sub-total	-	-	76 233	54 089	76 233	54 089
PUBLIC ENTITIES						
Development Bank of South Africa	-	-	3 851	11 596	3 851	11 596
National School of Government	-	-	1 901	2 072	1 901	2 072
Sub-total	-	-	5 752	13 668	5 752	13 668
Total	-	-	81 985	67 757	81 985	67 757

ANNEXURE 6B

INTER-ENTITY ADVANCES RECEIVED (note 16)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022
	R'000	R'000	R'000	R'000	R'000	R'000
PUBLIC ENTITIES						
Current						
National Skills Fund	-	-	357	-	357	-
Total	-	-	357	-	357	-

ANNEXURE 7

COVID-19 RESPONSE TO EXPENDITURE

Per quarter and in total

Expenditure per economic classification	APRIL 2022	MAY 2022	JUN 2022	Subtotal Q1	JUL 2022	AUG 2022	SEPT 2022	Subtotal Q2	OCT 2022	NOV 2022	DEC 2022	Subtotal Q3	JAN 2023	FEB 2023	MAR 2023	Subtotal Q4	2022/23 TOTAL	2021/22 TOTAL
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Goods services	-	-	-	-	-	-	8	8	8	5	2	15	-	-	-	-	8	35
CONS																		
SUPP:MEDICAL SUPPLIES	-	-	-	-	-	-	3	3	-	-	-	-	-	-	-	-	3	3
CONS HOUS																		
SUP:DIS PAPER/ PLAST	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1
CONS HOUS																		
SUP:TOILETRIES	-	-	-	-	-	-	1	1	-	-	-	-	-	-	-	-	1	12
CONS HOUS																		
SUP:WASH/ CLEAN DETE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2
CONTRCTRS: MEDICAL SERVICE	-	-	-	-	-	-	2	2	3	4	2	9	-	-	-	-	11	3
MEDICAL LAB SERV OTH	-	-	-	-	-	-	2	2	5	1	-	6	-	-	-	-	8	14
TOTAL COVID-19 RESPONSE EXPENDITURE	-	-	-	-	-	-	8	8	8	5	2	15	-	-	-	-	23	35





PART F

Foreign Economic Offices

EAST AFRICA AND SADC		
Mission	Economic Office Staff	Telephone / facsimile / e-mail
<p>Addis Ababa</p> <p>SA Embassy, Higher 23, Kebele 10, House No. 1885, Addis Ababa, ETHIOPIA</p> <p>Postal address PO Box 1091, Addis Ababa, Ethiopia</p> <p>+1 HOUR</p>	<p>Vacant</p> <p>Counsellor (economic)</p> <p>Vacant</p> <p>Marketing Officer</p>	<p>T 00251 11 371 1002</p> <p>F 00251 11 371 3035</p>
<p>Harare</p> <p>SA High Commission, 7 Elcombe Road, Belgravia, Harare, Zimbabwe</p> <p>Postal address PO Box A1654 Avondale, Harare, Zimbabwe</p> <p>0 HOURS</p>	<p>Vacant</p> <p>Counsellor (economic)</p> <p>Mr Keith Goto</p> <p>Marketing Officer</p> <p>Vacant</p> <p>Secretary</p>	<p>T 00263 4 251 849 00263 4 251 853</p> <p>M 00263 772 135 344 (Keith)</p> <p>M 00263 78 270 3972 (Sisanda)</p> <p>F 00263 4 753 185 00263 4 749 657</p> <p>E trade@saembassy.co.zw trademarketing@saembassy.co.zw</p>
<p>Kampala</p> <p>SA High Commission, 15A Nakasero Road, Kampala, Uganda</p> <p>Postal address PO Box 22667, Kampala</p> <p>+1 HOUR</p>	<p>Vacant</p> <p>Counsellor (economic)</p> <p>Vacant</p> <p>Marketing Officer</p>	<p>T 00256 41 770 2100</p> <p>F 00256 41 434 8216</p>

EAST AFRICA AND SADC		
Mission	Economic Office Staff	Telephone / facsimile / e-mail
<p>Kinshasa</p> <p>SA Embassy, 77 Avenue Ngongo Lutete, Gombe, Kinshasa, Democratic Republic of the Congo (DRC)</p> <p>Postal address Boite Postale 7829, Kinshasa 1, DRC</p> <p>-1 HOUR</p>	<p>Vacant Counsellor (Economic)</p> <p>Vacant Marketing Officer</p> <p>Mr Victor M Mulenda Driver</p>	<p>T 00243 81 556 6598</p>
<p>Luanda</p> <p>SA Embassy, Condominio Ouro Verde II, Premio Dubai Road, Municipio da Samba Sector ZRGA, Talatona, Luanda, Angola</p> <p>-1 HOUR</p>	<p>Mr Meshack Mathye Counsellor (Economic)</p> <p>Mr Antonio Coutinho Dos Santos Marketing Officer</p> <p>Vacant Driver</p>	<p>T 00244 22 33 9126</p> <p>M 00244 94 288 9535 (Meshack) 00244 93 778 2753 (Antonio)</p> <p>F 00244 222 39 8730</p> <p>E MMathye@thedtic.gov.za coutinhosantossaembassy@gmail.com</p>
<p>Maputo</p> <p>SA High Commission Avenida Eduardo Mondlane 41 Caixa Postal 1120 Maputo, Mozambique</p> <p>0 HOURS</p>	<p>Ms Tinyiko Mafowane Counsellor (Economic)</p> <p>Vacant Marketing Officer</p> <p>Ms Nadia Babar Secretary</p>	<p>T 00258 21 243000 x 52262</p> <p>M 00258 84 398 7120 (Luis) 00258 84 737 6870 (Nadia) 00258 84 311 5946 (Tinyiko)</p> <p>F 00258 21 488896</p> <p>E TMafuwane@thedtic.gov.za</p>
<p>Nairobi</p> <p>SA High Commission, 5th Floor Roshmaer Building, Lenana Road, Kilimani, Nairobi, Kenya</p> <p>Postal address PO Box 42441, Nairobi, Kenya.</p> <p>+1 HOUR</p>	<p>Ms Zanele Sanni Counsellor (Economic)</p> <p>Mr Gerald Ockotch Marketing Officer</p> <p>Ms Verydiana Selebwa Secretary</p>	<p>T 00254 20 282 7000/7218 Direct</p> <p>M 00254 71 460 6812 00254 79 325 8958 (Zanele)</p> <p>F 00254 20 282 7219/7236</p> <p>E ockotchg@dirco.gov.za SanniZ@dirco.gov.za</p>

EAST AFRICA AND SADC		
Mission	Economic Office Staff	Telephone / facsimile / e-mail
<p>Juba</p> <p>SA Embassy, House 873 Southern Block K-3-K South Tongping Area Juba South Sudan</p>	<p>Vacant Counsellor (Economics)</p>	<p>T 00211</p> <p>M 00211 923 00 47</p>

WEST AFRICA AND MIDDLE EAST REGION		
Mission	Economic Office Staff	Telephone / Facsimile / e-mail
<p>Abuja</p> <p>SA High Commission, 371 Diplomatic Drive, Central Business District, Abuja, Nigeria</p> <p>- 1 HOUR</p>	<p>Vacant Counsellor (Economic)</p> <p>Mr Abdul-Muizz Momodu Marketing Officer</p>	<p>T 00234 9 782 2852 00234 70 3408 9962 (Abdul)</p> <p>F 00234 9 413 3829</p> <p>E muizzmomodu@gmail.com</p> <p>GMunyai@thedtic.gov.za</p>
<p>Accra</p> <p>SA High Commission, 10 Klotey Crescent, North Labone, Accra, Ghana</p> <p>Postal address PO Box 298, Trade Fair, Accra, Ghana</p> <p>-2 HOURS</p>	<p>Mr Mzwakhe Lubisi Counsellor (Economic)</p> <p>Mr Stephen Nii Kotey Marketing Officer</p>	<p>T 00233 302 740465</p> <p>M 00233 244 340 200 (Mzwakhe) 00233 249 113 750 (Stephen)</p> <p>F 00233 302 764460</p> <p>E MLubisi@thedti.gov.za</p> <p>kotey@dirco.gov.za</p>
<p>Cairo</p> <p>SA Embassy, Building 11, Intersection Road 200 & 203, Digla-Maadi, Cairo, Egypt</p> <p>+1 HOUR</p> <p>Working week is from Sunday to Thursday</p>	<p>Vacant Consellor (Economic)</p> <p>Ms Abeer Aboul Enein Marketing Officer</p> <p>Vacant Secretary</p>	<p>T 00 202 253 53028/000</p> <p>M 00 201 005 451 399 (Abeer)</p> <p>F 00 202 2521 3261</p> <p>E essaemb@idsc.net.eg</p>

WEST AFRICA AND MIDDLE EAST REGION

Mission	Economic Office Staff	Telephone / Facsimile / e-mail
<p>Algiers</p> <p>SA Embassy, 21 Rue du Stade, Hydra, Algiers 16000, Algeria</p> <p>+2 HOURS</p>	<p>Vacant Counsellor (Economic)</p>	<p>T 00213 2148 4418</p> <p>M 00213 7708 7006</p> <p>F 00213 2148 4419</p>
<p>Dakar</p> <p>SA Embassy, Mermoz Sud, Lotissement Ecole de Police. Lot no. 5 Dakar, Senegal</p> <p>Postal address BP 21010, Dakar-Ponty, Dakar Senegal no. 5, Dakar, Senegal</p> <p>-2 HOURS</p>	<p>Mr Karabo Modimokwane Counsellor (Economic)</p> <p>Vacant Marketing Officer</p> <p>Ms Rokhaya Diop Trade Secretary</p>	<p>T 00221 22 864 7363 (Karabo) 00221 33 864 6055 (Rokhaya)</p> <p>M 00221 77 819 6113 (Karabo) 00221 78 526 6760 (Rokhaya)</p> <p>F 00221 33 824 2125</p> <p>E KModimokwane@thedtic.gov.za</p> <p>tradesa@orange.sn</p> <p>W www.saesenegal.info</p>
<p>Dubai</p> <p>SA Consulate, Khalid Bin Waleed Street, Al Karama, Bur Dubai, United Arab Emirates</p> <p>Postal address PO Box 34800, Dubai, United Arab Emirates</p> <p>+ 2 HOURS</p> <p>Working week is from Sunday to Thursday</p>	<p>Vacant Consul (Economic)</p> <p>Vacant Marketing Officer</p> <p>Vacant Trade Assistant</p>	<p>T 00971 4 370 9901 (Direct) 00971 4 397 5222 (Switchboard)</p> <p>F 00971 4 397 9602</p> <p>E tradeassistant@thedti.ae</p>

WEST AFRICA AND MIDDLE EAST REGION

Mission	Economic Office Staff	Telephone / Facsimile / e-mail
<p>Riyadh</p> <p>SA Embassy, 150 King Kalid Street, Um Al-Hammam District East, Riyadh, Saudi Arabia</p> <p>Postal address PO Box 94006 Riyadh 11693</p> <p>+1 HOUR</p> <p>Working week is from Saturday to Wednesday</p>	<p>Vacant Counsellor(Economic)</p> <p>Vacant Marketing Officer</p>	<p>T 00 966 1 442 9716</p> <p>F 00 966 1 442 9708</p>
<p>Tehran</p> <p>SA Embassy, No 5 Yekta St, Baghe-Ferdows, Valise Ave, Tajrish Sq, Tehran, Islamic Republic of Iran</p> <p>Postal address PO Box 11365-7476, Tehran, Iran</p> <p>+2½ HOURS</p> <p>Working week is from Sunday to Thursday</p>	<p>Vacant Counsellor (Economic)</p> <p>Mr Fariborz Farzaneh Marketing Officer</p> <p>Vacant Secretary</p>	<p>T 0098 21 2270 2866 Ext 302</p> <p>M 0098 912 823 8405</p> <p>F 0098 21 2271 6192</p> <p>E ffarzaneh@satrade.ir</p>

ASIA EAST REGION		
Mission	Economic Office Staff	Telephone / Facsimile / e-mail
<p>Beijing</p> <p>SA Embassy, 5 Dongzhimenwai Dajie, Sanlitun, Chaoyang District, Beijing, People's Republic of China</p> <p>+6 HOURS</p>	<p>Mr Yusuf Timol Minister (Economic)</p> <p>Vacant Marketing Officer</p> <p>Vacant Secretary</p> <p>Driver Mr H Wen</p>	<p>T 0086 10 853 20000</p> <p>M 0086 136 0116 9744 (Yusuf)</p> <p>F 0086 10 6532 0182</p> <p>E timoly@saembassy.org.cn</p>
<p>Seoul</p> <p>SA Embassy, 104 Dokseodang, Hannam-dong, Yongsan - ku, Seoul, South Korea</p> <p>+7 HOURS</p>	<p>Vacant Counsellor (Economic)</p> <p>Mr Kwangsu Jin Marketing Officer</p> <p>Mr Sung-Wan Im Trade Secretary</p>	<p>T 0082 2 795 0948</p> <p>M 0082 10 3467 9668 (Kwangsu) 0082 10 4125 2856 (Sungwan)</p> <p>F 0082 2 795 0949</p> <p>E satrade@korea.com</p> <p>ksjin@southafrica-embassy.or.kr</p>
<p>Shanghai</p> <p>South African Consulate-General 222 Yan An Road East 27th Floor, Room 2705/6 Shanghai, Peoples Republic of China</p> <p>+6 HOURS</p>	<p>Vacant Consul (Economic)</p> <p>Vacant Marketing Officer (x103)</p>	<p>T 0086 21 5359 4977</p> <p>F 0086 21 6335 2820</p> <p>E dtishanghai@rsaconsulate.com</p> <p>RMahlale@thedtic.gov.za</p> <p>MahlaleR@dirco.gov.za</p>

ASIA EAST REGION		
Mission	Economic Office Staff	Telephone / Facsimile / e-mail
<p>Tokyo</p> <p>SA Embassy, 4th Floor Hanzomon First Building, 1-4 Kojimachi, Chiyoda-ku , Tokyo 102-0083, Japan</p> <p>+7 HOURS</p>	<p>Mr Riaan le Roux Counsellor (Economic)</p> <p>Ms Tomoko Yamaguchi Marketing Officer</p> <p>Vacant Marketing Officer</p> <p>Vacant Administrative Officer</p>	<p>T 0081 3 3265 3366 (Riaan) 0081 3 3265 2123 (Tomoko)</p> <p>M 0081 90 1429 3880 (Riaan)</p> <p>F 0081 3 3261 6445</p> <p>E RleRoux@thedtic.gov.za</p> <p>yamaguchi@sajapan.org rleroux486@gmail.com</p>

ASIA WEST REGION		
Mission	Economic Office Staff	Telephone / Facsimile / e-mail
<p>Bangkok (also: Vietnam, Cambodia, Myanmar and Laos)</p> <p>SA Embassy, 12th A Floor, M-Thai Tower, All Seasons Place, 87 Wireless Road, Pathumwan, Bangkok 10330, Thailand</p> <p>+5 HOURS</p>	<p>Vacant Marketing Officer</p> <p>Mr Kanapich Nildamon Driver</p>	<p>T 0066 2 659 2900 0066 2 659 2906 (Direct)</p> <p>M 0066 81 808 5400</p> <p>F 0066 2 250 1065</p>
<p>Canberra (also: New Zealand)</p> <p>SA High Commission, Rhodes Place, State Circle, Yarralumla, Canberra, A.C.T 2600, Australia</p> <p>+8 HOURS</p>	<p>Mr Syed M H Jaffry Marketing Officer</p> <p>Kala Govind Trade Assistant</p>	<p>T 0061 2 6272 7300 (Switchboard) 0061 2 6272 7328 (Direct)</p> <p>M 0061 416 197 460</p> <p>F 0061 2 6273 4995</p> <p>E samarket@optusnet.com.au satrade@optusnet.com.au</p>

ASIA WEST REGION		
Mission	Economic Office Staff	Telephone / Facsimile / e-mail
<p>Jakarta</p> <p>SA Embassy, 7th floor, Wisma GKBI, Site 705, JL Jend. Sudiman No 28 Jakarta 10210, Indonesia</p> <p>+5 HOURS</p>	<p>Vacant Marketing Officer</p>	<p>T 0062 21 574 0660</p> <p>M 0062 861 137 7339</p> <p>F 0062 21 572 2206 0062 21 574 0661/0655</p>
<p>Kuala Lumpur (also: Philippines and Brunei)</p> <p>SA High Commission, Suite 22-01, Level 22, Menara HLA, No 3 Jalan Kia Peng, 50450 Kuala Lumpur, Malaysia</p> <p>+6 HOURS</p>	<p>Ms Chang Hou Yea Marketing Officer</p>	<p>T 0060 3 2170 2400 Ext 32423</p> <p>M 0060 12 312 2512</p> <p>F 0060 3 2168 8591</p> <p>E CHouYea@thedtic.gov.za changh@sahckl.net</p>
<p>Mumbai</p> <p>SA Consulate General, Urmi Estate 9th Floor, Tower A, 95 Ganpatrao Kadam Marg, Lower Parel (W), Mumbai 400013, India</p> <p>+3½ HOURS</p>	<p>Vacant Consul (Economic)</p> <p>Mr Rajan Kumar Marketing Officer</p> <p>Mr Ravi Ramaiah Driver</p>	<p>T 0091 22 2491 4238 0091 22 2495 5436 (Rajan)</p> <p>M 0091 998 7345 599 (Rajan) 0091 998 7590 967 (Ravi)</p> <p>F 0091 22 2352 1158</p> <p>E rajan@dtimumbai.com RKumar@thedtic.gov.za</p>

ASIA WEST REGION		
Mission	Economic Office Staff	Telephone / Facsimile / e-mail
<p>New Delhi</p> <p>SA High Commission, B-18 Vasant Marg, Vasant Vihar, New Delhi - 110045, India</p> <p>+3½ HOURS</p>	<p>Vacant Minister Counsellor (Economic)</p> <p>Vacant Marketing Officer</p> <p>Mr Ravi Issar Marketing Officer</p> <p>Ms Sonu Batra Secretary</p>	<p>T 0091 11 2614 8606</p> <p>M 0091 98 1817 5505 (Recado) 0091 98 1817 5507 (Ravi)</p> <p>F 0091 11 2614 3605</p> <p>E rissar@thedtic.gov.za</p> <p>SBatra@thedtic.gov.za</p>
<p>Singapore</p> <p>SA High Commission, 15 Floor, Odeon Towers, 331 North Bridge Road, Singapore 188720</p> <p>+6 HOURS</p>	<p>Vacant Marketing Officer</p> <p>Vacant Trade Secretary</p>	<p>T 0065 6 339 3319</p> <p>F 0065 6339 6658</p>

EUROPE 1 REGION		
Mission	Economic Office Staff	Telephone / Facsimile / e-mail
<p>Brussels (also: Luxembourg)</p> <p>SA Embassy to Belgium and Luxembourg and the SA Mission to the EU, Rue Montoyer 17-19 (B-1000), 1040 Brussels, Belgium</p> <p>-1 HOUR</p>	<p>Vacant Minister (Economic)</p> <p>Mr Julian Van Hille Marketing Officer</p> <p>Vacant Marketing Officer</p> <p>Vacant Secretary</p>	<p>T 0032 2 285 4400 (Julian) 0032 2 285 4441 (Marcia)</p> <p>M 0032 473 864 436 (Julian)</p> <p>F 0032 250 201 24</p> <p>E jvanhille@thedti.be</p>

EUROPE 1 REGION		
Mission	Economic Office Staff	Telephone / Facsimile / e-mail
<p>London</p> <p>SA High Commission, South Africa House, Trafalgar Square, London WC2N 5DP, United Kingdom</p> <p>-2 HOURS</p>	<p>Vacant Minister (Economic)</p> <p>Mr Jacob Mothopeng Marketing Officer</p> <p>Vacant Marketing Officer</p> <p>Vacant Secretary</p>	<p>T 0044 20 7451 7243/7248/7251</p> <p>M 0044 77 1448 7143</p> <p>F 0044 20 7839 0634</p> <p>E Mothopengj@dirco.gov.za</p> <p>W www.southafricahouse.com</p>
<p>Moscow (also: Belarus, Ukraine, Georgia, Armenia and Kazakhstan)</p> <p>SA Embassy, Granatny Per1, Building 9, Moscow 123001, Russia</p> <p>+1 HOUR</p>	<p>Vacant Minister (Economic)</p> <p>Mr Vladislav Krivosheev Marketing Officer</p> <p>Ms Irina Cheburkova Secretary</p>	<p>T 007 495 926 1177</p> <p>M 007 985 182 8765</p> <p>E vladislav@thedit.ru tradesa@econsa.ru rina.thedit@gmail.com</p> <p>W www.econsa.ru</p>
<p>Stockholm (also: Denmark, Norway, Finland, Iceland and Baltic States)</p> <p>SA Embassy, Flemmeggatan 20, S – 112 26 Stockholm, Sweden</p> <p>-1 HOUR</p>	<p>Vacant Marketing Officer</p> <p>Ms Alyce Frisk</p>	<p>T 0046 8 783 7743 (Trade) 0046 8 243950 (Switchboard)</p> <p>F 0046 8 660 2837</p>
<p>The Hague</p> <p>SA Embassy, Wassenaarseweg 40, 2596 CJ The Hague, The Netherlands</p> <p>-1 HOUR</p>	<p>Vacant Marketing Officer</p>	<p>T 0031 70 3924501</p>

EUROPE 2 REGION		
Mission	Economic Office Staff	Telephone / Facsimile / e-mail
<p>Berlin</p> <p>SA Embassy, Economic Section, Tiergartenstrasse 18, 10785 Berlin, Germany</p> <p>-1 HOUR</p>	<p>Vacant Consul (Economic)</p> <p>Vacant Marketing Officer</p>	<p>T 0049 30 22073152</p> <p>F 0049 30 22073207</p>
<p>Berne</p> <p>South African Embassy, Alpenstrasse 29, 3006 Berne, Switzerland</p> <p>Postal address Postfach, 3000 Berne 6, Switzerland</p> <p>-1 HOUR</p>	<p>Vacant Marketing Officer</p>	<p>T 0041 31 350 1313</p> <p>F 0041 31 368 1750</p>
<p>Madrid (also: Portugal)</p> <p>SA Embassy, Calle Claudio Coello 91, 6th Floor, Madrid, 28006, Spain</p> <p>-1 HOUR</p>	<p>Ms Alicia Segura Marketing Officer</p> <p>Vacant Assistant: Trade Section</p>	<p>T 0034 91 436 3780 (Switchboard) 0034 91 436 3781(Alicia)</p> <p>M 0034 60 765 0952 (Alicia)</p> <p>F 0034 91 575 5369</p> <p>E econ@sudafrica.com</p>
<p>Munich</p> <p>SA Consulate-General, Sendlinger-Tor-Platz 5, 80336 Munich, Germany</p> <p>-1 HOUR</p>	<p>Vacant Consul (Economic)</p> <p>Marc Müller-Kirsch Marketing Officer</p> <p>Vacant Trade Secretary</p>	<p>T 0049 89 2311 6352</p> <p>M 0049 17 5864 4571 (Marc)</p> <p>F 0049 89 2311 6350</p> <p>E mueller@suedafrika.org</p>

EUROPE 2 REGION		
Mission	Economic Office Staff	Telephone / Facsimile / e-mail
<p>Ankara</p> <p>SA Embassy, Filistin Sokak No 27, Gaziosmanpasa, Ankara 06700, Turkey</p> <p>-1 HOUR</p>	<p>Ms Sultan Onacak Marketing Officer</p>	<p>T 0090 312 405 6863</p> <p>M 0090 535 105 3169 (Sultan)</p> <p>F 0090 312 446 6434</p> <p>E OnacakS@dirco.gov.za</p> <p>W www.southafrica.org.tr</p>
<p>Paris</p> <p>SA Embassy, 59 Quai d'Orsay, 75343 Paris, France</p> <p>-1 HOUR</p>	<p>Vacant Counsellor (Economic)</p> <p>Mr Mustapha Adams Marketing Officer</p> <p>Vacant Marketing Officer</p>	<p>T 0033 1 5359 2323</p> <p>M 0033 6 1820 0114</p> <p>F 0033 1 4555 4867</p> <p>E mustapha.adams@orange.fr</p>
<p>Vienna</p> <p>SA Embassy, Sandgasse 33, A-1190 Vienna, Austria</p> <p>-1 HOUR</p>	<p>Ms Andrijana Ruzic Marketing Officer</p>	<p>T 0043 1 320 649333</p> <p>M 0043 676 500 7741</p> <p>E vienna.trade@dirco.gov.za ruzic-terglava@dirco.gov.za</p>

AMERICAS REGION		
Mission	Economic Office Staff	Telephone / Facsimile / e-mail
<p>Buenos Aires (also: other Latin American countries except Brazil)</p> <p>SA Embassy, Marcelo T de Alvear 590, 8th Floor Capital Federal, 1058 Buenos Aires, Argentina</p> <p>-5 HOURS</p>	<p>Ms Florencia Achcar Marketing Officer</p>	<p>T 0054 11 43172900 0054 11 43172923 (Direct)</p> <p>M 0054 911 4171 5685</p> <p>F 0054 11 4311 8991</p> <p>E achcarf@dirco.gov.za</p> <p>W www.southafrica.org.ar</p>

AMERICAS REGION		
Mission	Economic Office Staff	Telephone / Facsimile / e-mail
<p>New York</p> <p>SA Consulate-General, 333 East 38th Street, 9th Floor, New York, NY 10016, United States</p> <p>-7/8 HOURS</p>	<p>Mr Jeffrey Govan Marketing Officer</p> <p>Ms Bing Alo-Villareal Marketing Officer</p> <p>Myrna x2427 Sandra x2494</p>	<p>T 001 212 692 2428/27</p> <p>M 001 917 496 5007 (Jeff) 001 917 496 5006 (Bing)</p> <p>F 001 212 856 1576</p> <p>E govanj@dirco.gov.za alo-villarealb@dirco.gov.za</p>
<p>Sao Paulo</p> <p>SA Consulate-General, Avenida Paulista 1754, 17th Floor, 01310-920, São Paulo, SP, Brazil</p> <p>-5 HOURS</p>	<p>Vacant Consul (Economic)</p> <p>Mr Mark T Rabbitts Marketing Officer</p>	<p>T 005511 3288 3742</p> <p>M 0055 11 97140 7741 (Mark)</p> <p>E satrade@terra.com.br</p>
<p>Toronto</p> <p>South African Consulate General Toronto, 110 Sheppard Avenue East, Suite 600, Toronto, Ontario, Canada M2N 6Y8</p> <p>-6/7 HOURS</p>	<p>Vacant Marketing Officer</p> <p>Vacant Trade Secretary</p>	<p>T 001 416 944 8825 (Switchboard)</p>
<p>Washington</p> <p>SA Embassy, 3051 Massachusetts Avenue, NW Washington, DC 20008, United States</p> <p>-6/7 HOURS</p>	<p>Vacant Minister (Economic)</p> <p>Ms Jennifer Cheong Marketing Officer</p> <p>Vacant Secretary</p>	<p>T 001 202 274 7975 (Jennifer)</p> <p>M 001 202 679 7132 (Jennifer)</p> <p>F 001 202 966 5919</p> <p>E jcheong@saembassy.org</p>

INTERNATIONAL TRADE AND ECONOMIC DEVELOPMENT DIVISION

Mission	Economic Office Staff	Telephone / Facsimile / e-mail
Geneva		
South African Permanent Mission to the WTO, Rue Pré-de-la-Bichette 1, 1202 Geneva, Switzerland	Ms Xolelwa Mlumbi-Peter Ambassador to WTO (Economic)	T 0041 22 849 5401 (Xolelwa) 0041 22 849 5405 (Marumo) 0041 22 849 5403 (Jeniffer) 0041 22 849 5450 (Tshifhiwa)
-1 HOUR	Mr Tshifhiwa Mahosi Counsellor (Economic)	M 0041 79 786 6024 (Xolelwa) 0041 79 812 5339 (Marumo) 0041 79 273 4124 (Tshifhiwa) 0041 79 291 30 18 (Jeniffer)
	Mr Marumo Nkomo Counsellor (Economic)	F 0041 22 735 7365
	Ms Kekeletso Mashigo Counsellor (Economic)	E Xolelwa.mlumbipeter@sawtomission.com
	Mr Miguel Ghannam Admin Officer	samantha.muller@sawtomission.com
	Ms Samantha Muller Secretary	marumo.nkomo@sawtomission.com
	Mr Federico Tolentino Driver	tshifhiwa.mahosi@sawtomission.com
	Jeniffer Macheso Administrative Officer	jeniffer.macheso@wtomission.com

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Annual Report
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